

# DAILY REPORT

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NAKASONE BEGINS OFFICIAL VISIT TO GDR

For reportage on Prime Minister Yasuhiro Nakasone's official visit to the GDR, see the German Democratic Republic section of the 13 January Eastern Europe DAILY REPORT and subsequent issues.

GORBACHEV WRITES TO JAPANESE STUDENTS ON PEACE

OW121227 Tokyo KYODO in English 1217 GMT 12 Jan 87

[Text] Tokyo, Jan. 12 KYODO -- In a letter to Japanese students, Soviet leader Mikhail Gorbachev promised to make efforts to eliminate nuclear weapons.

Da'gen Tanaka, 13, first-year student at Mirumae Junior High School in Tonan village, Morioka Prefecture, received Gorbachev's letter at the Soviet Embassy in Tokyo Monday.

Vyacheslav Fedyaninov, counsellor at the Soviet Embassy in Tokyo, read the letter in which Gorbachev thanked the Japanese students for their letters and stated his determination to consistently make efforts toward the elimination of nuclear weapons. Gorbachev said the Soviet people share the anxieties of the nuclear threat with the peoples of the rest of the world.

Students of elementary, junior high and senior high schools in Morioka Prefecture sent letters to Gorbachev and U.S. President Ronald Reagan last summer, urging the abolition of nuclear weapons. The students have not received a reply from Reagan yet.

SOVIET MISSION STUDIES RADIATION TREATMENT

OW130347 Tokyo KYODO in English 0322 GMT 13 Jan 87

[Text] Hiroshima, Jan. 13 KYODO -- The leader of a Soviet Government mission thanked Japan Tuesday for offering assistance in treating victims of the Chernobyl nuclear power plant accident which occurred in April last year.

Andrey Ivanovich Vorobyev, head of the five-member Soviet mission to study Japanese treatment of radiation victims, met with Japanese officials at the Radiation Effects Research Institute here.

He said various countries have offered assistance since the Chernobyl nuclear power plant accident, and Soviet physicians have made use of the Japanese experience when they dealt with transplants of bone marrows. He added that he was grateful for the help that had been given.

Tetsuhiko Yoshida, director of the Sanitation Bureau of the Hiroshima city government, said the city was ready to offer whatever information it had on the treatment of the victims of the atomic bombing of Hiroshima and Nagasaki in 1945 and on the results of research on radiation effects. He expressed the hope that the information could be useful to Soviet physicians treating the victims of the nuclear power plant accident.

The Soviet mission arrived in Tokyo last Sunday and will remain in Japan until January 21.

#### KURIHARA DISPUTES NEED TO EXPLAIN DEFENSE HIKE

OW130531 Tokyo KYODO in English 0456 GMT 13 Jan 87

[Text] Tokyo, Jan. 13 KYODO -- Defense Agency Director General Yoko Kurihara said Tuesday there is no need for Japan to make explanations to other nations through diplomatic channels of its decisions on defense spending, on which a decade-old ceiling limiting it to 1 percent of gross national product (GNP) will be exceeded in the budget for fiscal 1987, starting in April. Kurihara told reporters after attending a cabinet meeting he saw no need "to make explanations in advance on such matter." His remarks appeared to be a response to Chinese Foreign Minister Wu Xueqian's statement Sunday that China is concerned over Japan's increasing defense spending and is worried whether Japan may become a major military power. Commenting on the possibility of setting a new defense ceiling to replace the "1 percent of GNP" limit, Kurihara said, "the final decision must be made by Japan, though we cannot at present be perfectly and purely independent in many senses." He said Japan must "adequately grasp" the feelings of neighboring countries, and must also consider carefully the views of the United States, as its ally.

Meanwhile, Deputy Prime Minister Shin Kanemaru said the 1 percent ceiling, set by the cabinet of then-Prime Minister Takeo Miki in 1976, is not necessarily the right figure, though it has been accepted so far. He said, "If GNP expands, can we also increase defense spending sticking to the 1 percent ceiling?" Kanemaru, who had an operation on his stomach late last year, returned to the political scene after an absence of two months to attend the cabinet meeting, substituting for Prime Minister Yasuhiro Nakasone who is on a European tour. He also held a meeting with former Foreign Minister Shintaro Abe, now the ruling Liberal-Democratic Party's Executive Council chairman.

#### DEPUTY FOREIGN MINISTER APPOINTMENT APPROVED

OW130125 Tokyo KYODO in English 0113 GMT 13 Jan 87

[Text] Tokyo, Jan. 13 KYODO -- Career diplomat Hiroshi Kitamura became deputy foreign minister for economic affairs Tuesday, succeeding Reishi Teshima, who is expected to get an ambassadorial post. The appointment of Kitamura, 57, was approved at a regular cabinet meeting Tuesday morning. Kitamura was deputy vice minister for administration prior to his new appointment. Hisashi Owada, director general of the ministry's Treaties Bureau, is likely to be named Kitamura's successor.

Kitamura, a graduate of the University of Tokyo, joined the Foreign Ministry in 1953 and has served as consul general in San Francisco and director general of the North American Affairs Bureau. He was also secretary to former Prime Minister Takeo Miki.



AMERICAN ORDERED TO LEAVE DPRK WITHIN 24 HOURS

SK130505 Pyongyang KCNA in English 0458 GMT 13 Jan 87

[Text] Pyongyang January 13 (KCNA) -- An American Ray Ferrill Green carrying U.S. passport No 25710163, 38 years old, illegally entered the territory of the Democratic People's Republic of Korea on January 12.

The competent organ of the DPRK declared him an unwelcomed persona non grata, as he illegally entered our country in violation of its immigration and emigration law and order, and ordered him to leave Korea within 24 hours.

PLANS TO EXPAND U.S. BASES IN SOUTH DENOUNCED

SK120510 Pyongyang KCNA in English 0500 GMT 12 Jan 87

[Text] Pyongyang January 12 (KCNA) -- Commenting on the request of the Reagan Administration to Congress for the appropriation of 149 million dollars in fiscal 1988 to the expansion of the U.S. forces bases in South Korea, NODONG SINMUN today says:

This once again reveals the heinous intention of the U.S. imperialists to occupy South Korea permanently and further turn it into a bridgehead and military strategic stronghold for Asian aggression.

The author of the commentary notes:

While stepping up in South Korea preparations for an adventurous nuclear attack on our republic, the U.S. imperialists are putting fresh muscles into their military setups there. This is one more proof that they are scheming to provoke a nuclear war in Korea.

They preach that the conversion of South Korea into a military base and arms buildup there is for deterring the "threat from the North" and maintaining "stability and security" there. But this is a cock-and-bull story to justify their criminal act in making haste with war preparations against our republic.

The U.S. imperialists plan to expand military bases in South Korea will only result in increasing the threat of war.

CALL FOR POLITICAL, MILITARY TALKS CONTINUES

SK130447 Pyongyang KCNA in English 0431 GMT 13 Jan 87

[Text] Pyongyang January 13 (KCNA) -- The great leader President Kim Il-song in his historic policy speech "for the Complete Victory of Socialism" put forward the new proposal for holding North-South high-level political and military talks. In this connection NODONG SINMUN January 12 carried a signed article headlined "National Unity and Embodiment of Reunification Line".

Noting that the new nation-saving proposal advanced by the great leader is an epochal one to occasion a turn in the struggle for national reunification, the article says:

Proceeding from the essential demand of the question of national reunification, we have firmly maintained it at all times as our consistent stand to achieve the historic cause of national reunification independently by the concerted efforts of the nation.

Our party and the government of the republic not only take the principle of great national unity along with the principles of independence and peaceful reunification as the fundamental principles for national reunification but also have positively struggled to achieve the cause of reunification in firm unity under the banner of great national unity of the entire nation irrespective of idea, ideal and party affiliation from the first days of the division of the country.

The whole course of the protracted struggle of our people for the reunification of the country has, after all, been the course of the struggle for national unity and the course of its continuation.

A basic factor barring national unity is the distrust and antagonism existing within the nation.

To remove the political confrontation between the North and the South along with the military confrontation and create an atmosphere of trust and concord is an essential demand for national unity and a pressing task to open the way to national reunification.

Our people in the North and the South are of the same nation and of the same ancestry; our people do not want distrust and confrontation between themselves.

The proposal for North-South high-level political and military talks is an epochal nation-saving measure to remove the distrust and confrontation among the fellow countrymen, promote trust and unity, prevent war and provide a favourable environment for peace and peaceful reunification.

Reflected in this proposal are the noble patriotic stand and will of the great leader to accelerate the cause of the independent and peaceful reunification of the country by achieving the unity of the nation.

If the North-South high-level political and military talks are successfully held to bear good fruit, a new phase of national unity, peace and peaceful reunification will open.

If the South Korean authorities truly desire national concord and unity and peaceful reunification, they must respond to our proposal for North-South high-level political and military talks.

'TEXT' OF CHON TU-HWAN'S NEW YEAR STATEMENT

SK130047 Seoul THE KOREA TIMES in English 13 Jan 87 pp 10-11

["Text" of ROK President Chon Tu-hwan's New Year policy statement broadcast on radio and television on 12 Jan 1987]

[Text] I consider it of great significance to have this opportunity to explain to you the tasks and directions of the national administration in the New Year which is destined to be a major turning point in our history.

This is especially true because we have just bid farewell to a year during which we have made various achievements of which we can be proud and have done so in the face of incessant domestic and international challenges.

In beginning the year in which my seven-year term of office is to be virtually concluded, I am nearly overwhelmed by a deeper mood of reminiscence than ever before.

In view of the fact that the conclusion of a thing is even more important than its beginning, I renew my determination and readiness to dedicate my body and soul during the remainder of my tenure to the accomplishment of the national tasks at hand.

At the same time, I want to ask all my fellow citizens to cooperate by participating even more positively in those tasks.

During 1986 which has just passed we pooled our determination and strength to erect an impressive milestone in Korean history. We successfully staged the Asian Games -- the first of its kind ever to be held in this land that has impressed the world as an international trouble spot.

In that way, we elevated the status of our homeland to the extent that it has been able to help promote the unity and harmony of the three billion Asians.

During the Games, the national vitality of the Republic and the intrinsic capabilities of the Korean people were fully demonstrated through the prowess of our young men and women, the flawless management by our athletic officials and the maturity of our citizens.

By rising to the occasion in concert, we forged a strong sense of national community, increased confidence in ourselves and rediscovered our true worth and future possibilities.

We thus experience a profound excitement the likes of which had not been known to the Korean people in their long past. This, I believe, will go down forever as a great feat in Korean history.

We also succeeded in turning a veritable surplus in the nation's balance of payments for the first time since the Republic was founded in 1948.

The nation has thus begun to reduce by large margins its foreign debt that is a burden on the entire people.

At the same time, we achieved a remarkable record in national savings, which was so high as to outrun the rate of investments.

#### Consolidating Foundation

We are thus consolidating the foundation for self-sustained growth -- a long-cherished national goal. Furthermore, with the help of a bumper harvest for the sixth consecutive year, we managed to achieve continuing price stability and rapid economic growth all at the same time, thereby building a sturdy springboard from which to leap into the forefront of development.

The year that has just passed was a landmark year during which we reaped many rewards and further accelerated our progress into the ranks of the advanced nations.

However, those rewards are not the result of efforts during one single year alone.

They can be more properly regarded as the ripening harvest from the tree of the Fifth Republic which we have been nurturing with devotion for the past six years.

It may be recalled that in my first New Year Policy Statement six years ago, I called upon the entire nation to join me in pledging to share in sacrifices and to unite our strength with the goal of accomplishing a second takeoff by all means.

Indeed, we began the 1980s in the face of near national bankruptcy resulting from extreme social confusion combined with a faltering economy characterized by negative growth, wild chronic inflation and mounting international deficits.

In the course of trying to dispel the national crisis during those days, I was unexpectedly entrusted with a momentous presidential responsibility.

Ever since, I have been endeavoring to discharge my duties, always keeping in mind the dictates of the times and the nation's future, rather than seeking personal glory or quick popularity.

Today, as I think of the achievements and rewards that have been gained by working hard together with all my fellow countrymen over the past six years, I have come to a new conviction that if we set a goal and work toward it in unity, we can get anything done.

There is nothing impossible for us. I feel a paramount sense of honor and happiness in the fact that in spite of my many shortcomings, I have been able to shape, as the Chief Executive, together with a great people, a new era featuring ever increasing national vitality and vibrance.

I want to express my heartfelt gratitude and appreciation for your unsparing cooperation.

We are now at a historic crossroads: This is the crucial stage at which it is going to be decided whether we will make the most of our accumulated developmental resources and will finally step onto the bright path to democracy and prosperity and further into the ranks of the advanced nations and on toward unification or will skid back into an abyss of chaos, poverty and regression.



The outcome will depend entirely on our choices and actions during the coming year.

In that sense, the year ahead will not be a short period for the Korean people, including me as the President.

This does not mean, however, that we will be able to afford to idle away even a few minutes.

The New Year will be a priceless 12-month period destined to determine the nation's long-range future course.

At this critical juncture, I ask all my fellow citizens, first of all, to join me in reaffirming our national ideal of liberal democracy and in renewing our resolve to champion it.

It is not necessary to reiterate that the supreme national goal that we are pursuing today is to uphold the ideals of liberal democracy and develop and safeguard liberal democratic institutions and practices in all fields -- political, economic, civic and cultural.

Creating an advanced country on the strength of the vitality inherent in liberal democracy and achieving peaceful unification are the joint responsibility and historic mission imposed on all of us who are living in this age.

Looking back, liberal democracy was adopted as a lofty ideal at the founding of the Republic. And yet, it has failed to take firm root in Korean soil because of protracted one-man rule maintained by unreasonable means and the consequent strife and mistrust.

Immature social and economic conditions, characterized by poverty and stagnation, have also contributed to the failure.

And yet, it can be said that despite a long series of trials and errors, as well as repeated ups and downs, we have been steadily preparing, over the four decades since the founding of the Republic, the soil for the flowering of liberal democracy.

During the last half of the '40s and throughout the '50s, faith in democracy, along with unwavering anti-communism, became ingrained in the Korean public, as we combated the menace of communism, which culminated in the Korean War triggered by the invasion from the north in June 1950 and persisted even after the war.

In the '60s and the '70s, our efforts to modernize the nation and develop the economy contributed to securing the socio-economic basis to sustain a free and democratic society.

The Fifth Republic, which set sail at the turn of the '80s, derived its motive power from a strong determination to put the ideals of liberal democracy into practice on the strength of painful reflections on the nation's tortuous history of constitutional government.

We have endeavored to accept liberal democracy as the philosophy behind over all national development and to put democratic institutions and policies into practice rather than using democracy as a mere political slogan or considering it a concern of a single segment of society.

Accordingly, an institutional device to fundamentally block prolonged personal rule -- the decisive impediment to democratic development -- and to ensure a peaceful change of government has been built into the Constitution.

At the same time, intensive efforts have been made to promote individual initiative and openness as a means of implanting the ideals of democracy throughout society.

As you know well, shifting from control and restrictiveness to individual initiative and openness, from conformity to diversity, from centralization to decentralization and from government-led development to privately-led development is not only the quickest way to ensure the progress of a democratic nation and the happiness of individual citizens, but also the direction being followed by progressive advanced countries and a general trend gaining force around the world.

The government of the Fifth Republic coolheadedly examined the spirit and current of the times and began to boldly apply the principles of individual initiative, openness and harmony. Government intervention and regulation have been reduced in all spheres of national and civic life.

Steady efforts have been made to promote fair competition and free choice. In these ways, the government has been taking the lead in effecting reforms designed to internalize liberal democracy.

It should be concluded that basically because the intrinsic capabilities of the Korean people have been newly demonstrated owing to the merits of individual initiative and openness, we have been able to achieve over the past six years, despite adverse circumstances and the negative attitudes of some segments of society, the results that we see around us today, thereby reinforcing the springboard from which we will be able to leap into the forefront of development.

Such a strategy of free and democratic development is instilling new vitality into our economy and society, thereby propelling the nation toward the ranks of the advanced countries.

This is key to ensuring our victory in competition with North Korea and to opening the door to peaceful unification.

#### Seoul Olympics

When we successfully stage the Seoul Olympics next year, while solidly developing democratic institutions and overcoming the onrushing internal and external shock waves, we will have taken a major step toward firmly establishing a liberal democratic system on the domestic front, while rising on the international front into the ranks of the developed countries.

To accomplish such national tasks, it is imperative for us to clearly grasp and translate into action the new spirit of this age which calls for stability, security, democracy and progress. If all of us are united in this spirit of the age and work hard in concert, we will be able to carry out next year -- the 40th anniversary of the Republic of Korea -- the colossal task of giving birth to a great advanced democratic nation, an achievement that will make us truly proud.

This can in fact be regarded as the second founding of the Republic.

When we squarely face the current age's historic tasks of opening a new era of liberal democracy, I believe the major thrust of national administration during the New Year will become self-evident.

That will be to ensure the smooth implementation of a political agenda designed to bring about the first peaceful change of government in the constitutional history of the Republic.

I have repeatedly expressed by conviction that for me to abide by the provisions for a single-term presidency and thus to set a precedent of a peaceful transition of power will be the best way to consolidate the framework for democratic development. Such a determination remains unchanged.

As I have repeatedly emphasized, I will not remain in office one day less or more than my prescribed tenure. Upon completion of my term of office, I will turn over the reins of government and will leave Chongwadae (the presidential office and residence).

If I have any personal desire, it is to be recognized by my fellow countrymen as the former President and as the one who firmly planted a democratic system in Korean soil for the first time and is recorded as such in history.

My ardent hope is that, on the strength of the example I will set, an illustrious democratic tradition will be established in this land.

Probably nobody is ignorant of the fact that a peaceful transition of government means that the reins of government will be transferred in a completely peaceful atmosphere free of confusion and anxiety, without national security being threatened and without national development being disrupted. Accordingly, I will now lead the administration with conviction and vigor, as if my presidency were just beginning, with the goals of preventing the vicious cycle of chaos and of laying the groundwork for the evolution of a genuine democratic tradition.

In response to the dictates of the times and the wishes of the people, my administration will steadfastly maintain the movement toward greater individual initiative and openness under conditions of stability.

#### Democratic Society

The basic characteristic of an advanced democratic society lies in the ensuring of self-determination and open competition in all spheres of human activity.

History teaches us, however, that only when freedom and openness are accompanied by a matching sense of responsibility entailing increasing efficiency can they turn a society into a developed one.

By the same token, when freedom and openness simply degenerate into chaos and disorder, society is bound to fall backward.

At this point, I must emphasize once again the importance of law and order to the maintenance and development of a stable democratic society. Social discipline and a national legal order must be rigorously established so that citizens can live safely in the knowledge that the law can be trusted.



A law-abiding spirit and a sense of civic responsibility are growing increasingly more crucial to everything, because national and private assets that must be protected and nurtured have increased immensely due to economic and social development and because increasingly diverse interests have surfaced in all fields and all social strata.

In other words, the increasing diversification of our society demands mature democratic politics capable of adjusting and resolving conflicting interests and friction.

Modern democracy is of necessity maintained through representative government, which, in turn, is predicated on the operation of political parties.

Thus, the presence of sound, modern political parties is indispensable to the development of representative government and accordingly, of liberal democracy.

Democracy makes headway when political parties led by qualified politicians are sufficiently competent and determined to properly represent the wishes and demands of the public, to adjust the diverse interests of all sections of society and to advance national interests and public welfare.

Now that the administration itself is doing everything in its power to promote democratic development, I believe that politicians and political parties who hope to take over the next administration ought to devote themselves, first of all, to winning public support and trust.

If they hope to lead to government befitting the times, they should present to the public their ideas of statecraft as well as their policies for national development and engage in bona fide competition on the basis of such ideas and policies. I earnestly hope that such competition will be ever more vigorously waged.

The entire people demand that politics in our country make progress matching the development already achieved in the economic, social and other fields. For democratic politics to prevail, it is of course important to develop a proper system and institutions.

Even more important, however, the nation's political culture, especially the behavioral patterns of politicians, must be democratized.

If the politicians abandon the normal political process and take to the streets or persist in creating chaos through extreme confrontation, they would be obstructing the evolution of a tradition of peaceful changes of government.

Such acts only betray the trust of sensible citizens. Democracy can grow only in climate of harmony and moderation, not in one of strife and extremism.

In the National Assembly, the citadel of democracy, the principle of majority decision, which is central to parliamentarism, must be abided by, while minority views must at least be respected.

In that way, a rational climate conducive to discussion and compromise, rather than illegalities and physical confrontation, ought to take hold in the Assembly.



In the absence of such a healthy political climate, no citizen will believe that democracy will become a reality the day any specific system is put into operation.

Since the founding of a democratic republic in 1948, we have amended the Constitution many times, experimenting with various forms of government.

And yet, the controversy over the existing political system has persisted, leading to a serious split in public opinion.

The immediate cause of this was the repeated moves to prolong one specific individual's hold on power at all cost. Another major factor contributing to the grim state of affairs has been the fact that in seeking democratic development, efforts have been focused only on altering the political system.

I believe, however, that no less important than the alteration of the system is an attitudinal reform toward democratic ways of thinking.

Now that we are entering a period of major historic transition during which the Republic's first peaceful change of government is going to take place, the undemocratic malfeasance of the old era must not be repeated.

At the same time, it must be realized that if a climate is created in which even pro-communists intent on destroying liberal democracy find it easy to disguise themselves as democrats by hoisting a false banner of democracy and thus to forge links with other more moderate groups, this will certainly present a very grave challenge to the preservation and promotion of liberal democracy.

In that context, and as the President responsible for the survival of our citizens and the defense of the nation and its democratic values, I will exert all my constitutional powers to resolutely counter the violent subversives who betray the national ideals, sympathize with the policies of north Korea and repudiate the basic democratic order.

I think you are aware that in order to promote democratic development, I have always endeavored, with self-restraint and patience, to move the political situation in the right direction. Although from the beginning I believe that constitutional reform was not a panacea, it is precisely because of such an earnest desire that at a meeting with the leaders of the three major political parties last year, I stated that I would not oppose amending the Constitution during my tenure if the government party and the opposition could agree on a version even better than the current basic law.

In that way, the way to constitutional reform by consensus was opened.

Following that, an ad hoc committee on constitutional reform was established at the National Assembly to serve as the forum for negotiations over the matter.

Together with the general public, I am truly chagrined and saddened by the fact that although it is already half a year since the establishment of the ad hoc committee, few substantive discussions have been conducted with practically no progress made toward forging a consensus.

Both the government party and the opposition must approach the problem with a fresh frame of mind if the precious opportunity to make mature democratic politics take firm root is not to be wasted.

In this regard, I consider it fortunate for the cause of constitutional reform by consensus so desired by the public that the political parties have now begun a renewed quest for dialogue to promote democratic development.

To ensure that our political agenda can be carried out without a hitch, I earnestly implore politicians of all stripes to discard personal ambition and to conduct constructive discussions with patience and self-restraint and with the intent of working out realistic plans to amend the Constitution.

In that way, the constitutional issue should be resolved in the National Assembly as soon as possible.

Both the government party and the opposition should exert their best efforts to forge a consensus to avoid creating an indefinitely continuing impasse which would give me no other choice as the Chief Executive but to make the grave decision to ensure the smooth implementation of the political timetable.

#### Unlawful Activities

Under any circumstance, the incitement of violent and unlawful activities outside the normal political process in disregard of constitutional and legal procedures will be sternly condemned by the public as an obstruction of genuine political development.

A democratic society is one governed by reason, not emotion. There is no issue that cannot be resolved through reasoned dialogue and a spirit of compromise.

I think constitutional reform by consensus is not an impossibility if all politicians abide by that spirit and make greater efforts to prepare blueprints for the long-range future of the nation.

Furthermore, we are faced with numerous tough issues that must be resolved within this year through agreement between the government party and the opposition.

For example, the administration has been steadfastly making preparations to initiate local autonomy.

However, the completion of that task also requires final agreement between the government party and the opposition.

I am convinced that if we steadily create a free and harmonious atmosphere throughout all aspects of national life along with the implementation of local autonomy, we will be able to turn 1987 into a rewarding year of democratic progress.

A major requisite for a thriving liberal democracy is a solid material basis combined with a free and fair economic environment enabling all citizens to live a dignified, free and affluent life.

Since I assumed the presidency, the emphasis in national administration has been on economic stability and growth on the strength of individual initiative, openness and competition, because it has been my belief that such is the best way to ensure that all citizens lead a free and economically prosperous life.

The last six years, I think, have been a significant period during which such a development strategy has been harmoniously combined with the devoted efforts of the citizenry to achieve solid economic successes, thereby contributing greatly to developing a liberal democratic system.

As you know well, we started out six years ago burdened with a negative economic legacy characterized by chronic and persistent inflation, a fragile industrial structure, heavy foreign indebtedness and financial favoritism.

Nonetheless, today inflation has been arrested and the economy has regained so much vitality that Korea is now consistently attaining one of the world's highest rates of growth.

Moreover, the nation has been able to move into a full-fledged era of international surpluses, and is expected to soon translate into reality the dream of becoming a creditor nation.

#### Price Stability

Moreover, thanks to sustained price stability and rapid economic growth in the past several years, the Korean economy, which ranked about 30th in size in the world, has now moved up to the 20th place, with our GNP about to reach U.S.\$100 billion.

In addition, Korea has now become the world's 12th largest trading nation.

No less important, we have now acquired the capabilities to progressively put into operation various welfare policies, the likes of which were far beyond our reach in the past due to wild inflation and limited economic resources.

We have also successfully taken bold steps to end such negative characteristics of the '60s and '70s as rampant speculation in real estate, commodities and other physical assets, as well as the system of economic management that gave favors and preferential treatment to selected businesses.

At the same time, unwarranted government regulations and controls that were hindering business initiative and creativity have been dismantled one after another.

As a result, savings have been increasing at an ever higher rate; and new products have been hitting the market in an ever expanding stream.

In that way, the growth potential of the nation's economy is being developed ever more effectively.

I am convinced that the Korean economy has now gotten onto a new track along which stability and growth can be sustained on a higher level. Accordingly, I think the task now facing us is to flexibly cope with rapid changes in the world economic environment, while strengthening and improving the vulnerable sectors of our economy.



The government thus intends to carry out economic policies especially emphasizing the following areas during 1987 -- the first year of the Sixth Five-year Economic and Social Development Plan.

First, efforts will be stepped up to improve the quality of export products and enhance their reputation on the international market so that the nation's external trade can continue to expand and become more profitable.

The remaining weak spots in our industrial and trade structure will be reinforced so that trade will not be adversely affected by changes in the external environment. In that way, Korea should develop into an all-weather trading nation.

If we now properly harness our national capabilities that have been built over the recent past, we will soon be able to produce and export all sorts of products of international excellence. Likewise, we will also soon be able to rapidly reduce our dependence on imports for such high-value products as industrial materials, components and machinery.

I take this occasion to ask all our businessmen, workers and consumers to take the initiative in endeavors to achieve the extraordinary growth and development of our industrial capabilities during this year.

To attain the external trade goals outlined above, it is essential to more effectively foster small and medium enterprises.

Over the past six years, both the government and the business community have made unsparing efforts to that end.

In the New Year, the government intends to further improve its past policies for promoting small and medium businesses with the aim of attaining much more tangible results.

Second, the administration will continue to concentrate on promoting science and technology and also on training large numbers of blue-collar engineers and skilled workers. At the same time, efforts will be made to create a social atmosphere in which skilled blue-collar workers can find satisfaction and pride in their jobs.

The task of building a society in which competence, rather than diplomas, is the main determinant of success and advancement will be accomplished relatively easily by fully supporting engineers and skilled workers and treating them fairly.

Accordingly, the government this year will continue to develop effective means to enable competent engineers and skilled workers to realize the Korean dream by pursuing careers on factory floors and at other production or construction sites. This will also help promote programs to develop a large pool of such workers.

Third, my administration will actively press ahead with public welfare measures commensurate with the nation's expanding economic capabilities.

The goals are to enable the majority of our citizens to advance into the middle class -- The mainstay of any free democratic society -- and also to provide active assistance to those segments of society who have least profited from economic growth.



Since the advent of the Fifth Republic, the government has successfully striven to end the vicious cycle of the rich getting richer and the poor poorer by expanding employment opportunities through accelerated economic growth, by arresting chronic inflation and by discarding financial favoritism. Efforts have also been made to fulfill the basic needs of low-income people for education, medical services and housing.

Through these measures, the foundation of public well-being has been steadily and solidly built.

In consequences, it will become possible next year to extend medical insurance to all citizens -- the most difficult issue in the past in meeting the basic requirements for public welfare. Also next year, a national pension fund and a minimum wage system will be introduced.

During this year, the measures I have just mentioned, which are basically intended to improve the living standard, with special emphasis on helping farmers, fisherman and wage earners, will be effectively implemented with the goal of accelerating the building of a society capable of ensuring the well-being of all.

In particular, housing programs will be more vigorously promoted in order to diminish the inconveniences and difficulties of those families who do not own their own homes.

Measures to assist the poor will be expanded and improved so that they can participate more actively in economic development and better benefit from growth.

Fourth, energies will be focused on promoting the balanced growth of all regions of the country and on making the best use of national land resources.

Toward that end, steps will be taken in industrially less developed areas to develop industries suited to the geographic and other characteristics of the areas.

Additional concrete measures will also be implemented to achieve an optimum distribution and the balanced development of industries through our country.

The recently announced package of policies to comprehensively develop rural areas will be meticulously carried out with the goal of elevating the income levels and living conditions in the farming and fishing communities to a par with those obtained in cities by the end of the present century.

The measures include more vigorous development of forestland and marine resources. In that way, I am confident that in the not so very distant future, our rural villages will develop into minicities with all modern conveniences and amenities, while today's small and medium cities will be transformed into a full-fledged industrial and cultural centers.

I am confident that the provinces will thus become as prosperous and vibrant as the large cities.

Since I became President, I have been working with a determination and willingness to complete the spadework for a leap forward, rather than leave behind any notable achievements.

And yet, I have come to the acute realization that there are many things that cannot be accomplished overnight.

Moreover, in a liberal democratic country, the government cannot and must not do everything. Accordingly, I want to say that private-sector activities must become even more brisk.

For example, the Educational Reform Study Commission, operating under the direct jurisdiction of the President to map plans to upgrade the nation's education system, has recently proposed a plan for improving the college entrance examination system.

It is continuing its intensive study to perfect the plan. But it is exceedingly difficult to come up with a plan that will satisfy all parents.

Education is the crucial means of turning young people into competent citizens capable of shouldering the nation's future. Furthermore, the people have a right to receive education since it is essential to a decent life.

#### Liberal Democracy

Liberal Democracy implies equal opportunities and equal educational opportunities are central to that ideal. Accordingly, the government will continue efforts to extend equal educational opportunities.

At the same time, I would like to ask schools, educators and parents to actively cooperate with the government in educational efforts to convince students of the superior values of liberal democracy so that they will not be contaminated by wrong ideologies.

Today's young people are the stars who will lead a developed Korean nation in the coming century.

Accordingly, it is the responsibility of the established generation to foster their youthful ideals and aspirations and to encourage their free and creative thinking and activities.

And yet, I am worried by the fact that these days, some students, though very small in number, are openly advocating dangerous radical pro-communist ideologies and trying to destroy the liberal democratic system by violence.

Although everyone should do his best to properly guide students still in their learning years with parental concern, we have no choice but to apply stern legal action against those students who are found to be beyond reform, if we are to safeguard our democratic system.

We can no longer tolerate the use of schools as fountainheads of leftist and pro-communist ideologies and as hotbeds of radical violence.

Since the masters of the schools are the educators, the students and the parents, I ardently hope that they will work with a renewed conviction and in concert with citizens from all walks of life to nurture our schools into genuine institutions of learning which will train the democratic and responsible citizens of the future.

In national administration I have placed special emphasis on promoting culture and the arts with an awareness that they are the major yardstick of the overall level of development of the nation. Culture and the arts are society's topsoil, nourishing all fields so that they can grow and mature.

Only when the cultural roots are healthy and vigorous can society make sound progress, without falling into stagnation and decadence.

It is because we have an eminent cultural heritage and traditions serving as an excellent moral mainstay that we have now achieved our current level of development, which is attracting increasing world attention.

We must continue to broaden and reinforce the moral and cultural foundations of a free and democratic society by enhancing a social atmosphere in which harmony within diversity, individuality and creativity are valued. Moreover, now that we live in an age of increasing internationalization, even more intensive efforts should be exerted to make Korean culture universally appealing, while preserving and enhancing its uniqueness and originality.

With a self-esteem and pride befitting a people about to host the Olympics, all Korean citizens must be involved in creating an advanced cultural nation.

It is my belief that our goal of building an advanced democratic nation within the 20th century is one that can be fully attained only when national unification is achieved.

#### Nat'l Unification

Territorial division is an unbearable pain for a single ethnic family. The territorial partitioning is the source of a constant threat of a war that would completely demolish us and our prosperity.

The division is a heavy yoke that forces us to waste national energies and thus throttles the engine of national development.

The task of breaking the fetters of division and thus accomplishing unification will be a major test of our national capabilities.

I feel that now that division has continued for 40 long years, not a few have been thinking that unification is in actuality a distant goal that is difficult to attain, especially because we have to work toward it without outside help.

However, as the growth of our national capabilities has accelerated on the strength of a liberal democratic system, we have been steadfastly grappling with that paramount task.

Upon its birth, the Fifth Republic refused to regard unification as a remote dream and adopted it as a realistic national goal.

We have thus been stepping up independent endeavors toward that objective. As a result, the nation's advancement toward unification has reached a new plateau along the fast track into the forefront of development onto which we have been lifted by the impetus provided by the awarding of the '88 Olympics to Seoul.



Under any circumstance, that long-cherished national goal must be reached through peace and reconciliation, rather than through violence and war.

Even while gripped by anger and sorrow over the terrorist bombing in Rangoon, I consistently adhered to the principle of peace and dialogue.

This was because of a single-minded determination to pry open the door to reconciliation and unification.

And yet, north Korea continues to turn a blind eye to our determination to seek dialogue with the intent of establishing peace by reducing tensions and promoting exchanges, eventually leading to national reintegration.

Moreover, flouting every international law and practice requiring nations, even of different ethnic origins, to consult each other about the development and use of common rivers and to respect the interests of all riparian countries, they have started building the Kumgangsan hydroelectric dam out of an idle dream of communizing the whole peninsula by force:

The dam is designed to deluge the most populous and vital region of the Republic in total disregard of the well-being of their own compatriots. It can only be concluded that such an attitude on the part of north Korea increases the mistrust and tension between the two halves of the country, hindering the cause of national reconciliation and unification.

It is all too evident that all issues between south and north Korea must be resolved peacefully through dialogue based on the principle of self-determination of peoples. In view of that, north Korea must, first of all, cease the construction of the Kumgangsan Dam and agree to discuss the joint development of common rivers in compliance with relevant international laws and practices.

If the Kumgangsan Dam was being built for purely economic reasons as Pyongyang claims, I think north Korea would not see any reason to eschew such a dialogue or to refuse to allow our experts to inspect the dam construction site.

If north Korea comes forward to the conference table to solve this question, this would be a tangible step toward easing tension on the Korean peninsula and restoring trust between the south and the north.

The most important thing, however, is to steadfastly continue the dialogue and improve inter-Korean relations.

In this regard, the suspended channels to dialogue, especially the south-north Red Cross conference and economic talks, must be reopened as quickly as possible.

I hope also that south-north summit meeting will take place during my term of office to achieve a breakthrough toward peace, reconciliation and unification.

Once again, I urge north Korea to accept these proposals. If the top leaders of the south and the north do meet, we could resolve a full spectrum of fundamental issues, ranging from the basic approaches to unification that I have already proposed to practical measures to ease tension.



In this spirit, we could discuss frankly and candidly all inter-Korean issues, including the recent north Korean proposal to hold political and military talks.

To safeguard and develop our free and democratic system, it is imperative to make even greater efforts to ensure national security and stability without fail.

We need not fear any threat or challenge as long as we unite our strength to prepare against it.

One vivid example of this is the public response with one spirit and a united determination to the recent campaign to raise funds for the construction of the Peace Dam.

When I visited our Armed Forces units in both the frontline and rear areas, I was heartened and reassured to find our defense is as invincible as it can be owing to the unwavering resolve of the Korean public to preserve national security.

As for our defense capabilities and combat readiness, I ask my fellow citizens to fully trust our Armed Forces and their commander-in-chief, and to endeavor even more energetically to reinforce social stability and coherence so that north Korea will not make miscalculations and misjudgments.

The period during which the danger of a north Korean provocation will reach its peak will be the two years of 1987 and 1988 -- a political crucial period. Accordingly, if internal confusion develops in the Republic, there is a great possibility that north Korea, counting on its numerical military superiority alone, will seize that as an opportunity to perpetrate acts of provocation against us to obstruct the Seoul Olympics.

Moreover, the international environment surrounding the Korean peninsula is fraught with mounting uncertainties and tension as an expansionist power reinforces its presence in the Asia-Pacific region in parallel with the intensification of north Korean adventurism.

We must, therefore, keep a very close eye on them.

We must further reinforce our own unity, while at the same time wisely coping with north Korea's military moves by promptly and correctly grasping their significance, so that we will be able to make the Seoul Olympics the most successful in the history of the modern Olympiad.

It is the common desire of the global village that the Olympics be a veritable festival of peace and harmony of the human race transcending political interests and ideological differences.

The Seoul Olympics has special significance since it must symbolize a big step forward toward firmly establishing such an Olympic tradition.

It is in response to such a universal wish that all peace-loving countries of the world have already begun to signal their willingness to actively support and participate in the Seoul Olympics.

North Korea's attempts to obstruct the festival of peace are not supported by any country and are only isolating it internationally. Accordingly, no matter how tenacious Pyongyang's obstructionist attempts and threat of provocation may be, I am confident our firm sense of unity and intrinsic capabilities will ensure the success of the Seoul Olympics without fail.

We now have sufficient resources to attain that goal. Furthermore, not only our traditional friends but also all other peace-loving nations unflaggingly support and encourage our Olympic efforts.

In that context, the Seoul Olympics also promises great progress in diplomacy.

#### Close Diplomatic Relations

Through multifaceted diplomatic efforts, including my own summit diplomacy, we have already cultivated even warmer and closer relations with the United States, Japan and other free and democratic Western nations. Moreover, we can now expect that, by virtue of the '88 Olympics, new relations will be established with the Communist bloc, in spite of ideological differences, while our ties with Third World countries will be cemented further.

As proved in those countries which have successfully staged the olympics, it is much more than an athletic event, it provides a powerful impetus to national vitality propelling the host country into the forefront of development.

The Seoul Olympics will certainly provide an impetus for the successful accomplishment of a peaceful change of government and also for perfecting a great free and democratic nation.

The mere fact that we are going to host the Olympics -- a festival of global peace -- for the first time in our history is a dramatic and heartening development that greatly enhances the reputation of the Korean people and the prestige of the Republic in the eyes of the entire world.

We must make sure that the Seoul Olympics will completely transform the still lingering international image of Korea as a shabby divided land ravaged by war and confrontation, while the basis for national harmony is further broadened and dramatic progress achieved in all aspects of national life.

I can say with confidence that during the '90s, when the urgent tasks of political development and of hosting the '88 Olympics will have been successfully accomplished, inter-Korean relations will undergo drastic changes, bring the nation the good fortune of unification.

Once again, I want to emphasize that we have now arrived at a fork in the road. One branch leads to a glorious future featuring mature liberal democracy and a unified, advanced nation.

The other leads in a completely opposite direction, to an unhappy future marked by underdevelopment and stagnation.

Here, it must also be emphasized that it is entirely up to us and nobody else to choose which of the two roads to travel.

If our political leaders do not see the new and promising horizon beckoning the nation and continue to be engrossed in chronic divisiveness and confrontation, our nation will skid backwards down an ignominious path to the sidelines of world history.

We must not skid into backwardness and underdevelopment. In 1948, three years after national liberation, the Republic of Korea was founded with bloodshed caused by the savage clashes between the leftist and the rightist camps.

Since the Korean First Republic was thus born, our parents and brothers and sisters have devoted their all to building a spring-board from which the nation can take a magnificent leap forward. In doing so, they have triumphed over all manner of hardship and adversity.

That precious legacy must not be destroyed now through thoughtless actions thereby thwarting the mightily rising national fortunes.

While carrying out my momentous duties over the past six years, I have come to have an almost religious faith in the great intrinsic capabilities of the Korean people.

If we properly harness those capabilities to continue our progress further, our vision of a bright future will not fail to become a reality.

Over the past six years, I have shared with you innumerable joys and heartaches. I deeply regret that in some areas of national administration, my assigned tasks have not yet been fully accomplished due to my limited ability or unfavorable circumstances or both.

On the other hand, however, I want to express my utmost gratitude to my fellow citizens for having understood my real intentions and for their wholehearted cooperation and encouragement.

#### Peaceful Power Change

Above all else, I am not determined to repay your support and crown my tenure by erecting together with you a major milestone on the course of the democratic development that we have been so assiduously promoting since the launching of the Fifth Republic.

That milestone is a peaceful change of government.

To accomplish that momentous historic mission, I will tackle national administration with even greater courage and conviction. During the remainder of my term of office, I will even more meticulously exercise the powers vested in the presidency and will be even more faithful to the responsibilities of my office. In that way I will do my best until my last day in office to be a president who has generated a public sense of security and confidence, who is worthy of public trust and support and who will be able to enjoy the blessings of retirement.

I trust that my fellow countrymen will unstintedly support and encourage my ardent desire to open a new horizon for the development of democracy in this land and that you will continue to inspire me with courage and conviction to accomplish that goal to which, if necessary, I will even sacrifice my personal well-being.



At the same time, I ask you to actively participate in the journey along the newly unfolding avenue toward ever greater democratic development and to courageously advise and guide those who are still captive of antiquated notions and might try to obstruct the journey.

That is the unavoidable duty of every citizen who lives in this period during which a fully mature and truly sound, free and democratic republic must be built.

We are now gradually approaching an age of the great Korean people with the promise of ever more forceful national progress.

I join my fellow citizens in fervently praying that even if we may run into tribulations in the days ahead, they will be only the birth pangs of a more prosperous and affluent country and a more noble Korean people.

It is my expectation that on the strength of such an ardent desire, a great triumph of liberal democracy will be achieved shortly, opening a magnificent avenue leading to unification during the 1990s.

In concluding, I pray from the bottom of my heart that all of you and your homes will always be blessed with good health and the best of luck.

#### PARTIES AGREE TO POSTPONE LEADERS' MEETING

SK130101 Seoul THE KOREA HERALD in English 13 Jan 87 p 2

[Text] Rival political parties yesterday agreed to postpone a meeting of their leaders while the opposition New Korea Democratic Party feuds over the so-called democratization formula.

NKDP president Yi Min-u requested the postponement and the ruling Democratic Justice Party accepted.

The meeting, arranged by National Assembly Speaker Yi Chae-hyong, was originally scheduled for today.

In making the request Yi said that his party needs time to iron out differences over the seven-point democratization formula. The formula, proposed by Yi late last month, set off the conflict.

He proposed that the meeting be put off until after Wednesday. The ruling DJP said that it wants the meeting to take place at the earliest possible date.

Political observers said the meeting will be held late this week or early next week. Discussions at the meeting will focus on Yi's democratization proposal and constitutional reform, they said.



SPK NOTES ASIAN MINISTERS' MOSCOW MEETING

BK130021 Phnom Penh SPK in French 0522 GMT 12 Jan 87

[Text] Phnom Penh, 12 Jan (SPK) -- The deputy foreign ministers of Vietnam, Cambodia, the DPRK, Laos, Mongolia, and the USSR held a working consultative meeting in Moscow on 8 and 9 January. They expressed their concern at the worsening world situation following the actions of the imperialist countries. Cambodian Deputy Minister of Foreign Affairs Bo Rasi and his counterparts from Vietnam, Cambodia [as received], Democratic Korea, Laos, and Mongolia reaffirmed their support for the Soviet Union's constructive position at the Reykjavik talks.

In the face of the Southeast Asian situation, it is necessary to intensify the search for means that would permit countries in this region to settle the existing problems themselves by strictly respecting each other's sovereignty, independence, and territorial integrity without outside interference in their internal affairs. These are exactly the objectives pursued by the constructive proposals of the Indochinese countries and their policy centered on the development of dialogue with the ASEAN member states.

The meeting's participants called for the dismantling of military bases in the Indian Ocean and the Pacific, and a ban on setting up new bases in these regions.

They voiced their belief that the normalization and development of relations between the PRC and the socialist countries will contribute to the improvement of the atmosphere in the Asia-Pacific region.

SPK CONDEMNS U.S.-THAI ARMS STOCKPILE DECISION

BK130749 Phnom Penh SPK in French 0517 GMT 13 Jan 87

["Thailand Gets Itself More and More Deeply Involved in the Military Alliance With the United States" -- SPK headline]

[Text] Phnom Penh, 13 Jan (SPK) -- The decision by Thailand and the United States to set up arms stockpiles on Thai territory once again exposes Thailand's intention to increase its collusion with the U.S. imperialists and other reactionary forces in order to maintain tension and create confrontation in Southeast Asia.

No one has yet forgotten that during the U.S. war of aggression in Indochina, Thailand allowed the U.S. imperialists to use its territory for bases for attacks against Cambodia, Vietnam, and Laos. And very recently, they conducted a joint military exercise in the vicinity of the Cambodian border.

In collusion with the Chinese expansionists, the Thai authorities have done their utmost to conjure up the so-called "Coalition Government of Democratic Kampuchea," which is none other than the Pol Pot butchers in disguise, to oppose the rebirth of the Cambodian people and the three Indochinese countries.

The recent visit to Bangkok by Yang Dezhi, chief of staff of the Chinese Armed Forces who according to Western sources visited various Thai military bases, aims only to strengthen further the Sino-Thai alliance and to bring moral and material support to the Khmer reactionaries in their desperate attempt to sabotage Cambodia's peaceful reconstruction labor.

By building stockpiles in Thailand, ostensibly for use in case of an eventual invasion by the Vietnamese Army volunteers who are currently on their internationalist mission in Cambodia, the United States hopes to return to Southeast Asia to carry out its Asia-Pacific strategy.

The decision by Thailand and the United States runs counter to the aspirations of the Southeast Asian peoples; including the Thai, and to the prevailing trend toward dialogue in the region for peace, friendship, and cooperation among the nations of the region. It will unfailingly become the object of condemnation by the peace- and justice-loving peoples the world over.

#### VODK SUPPORTS CGDK POSITION ON TALKS PROPOSAL

BK120212 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 11 Jan 87

[Station commentary: "The Cambodian People Demand That the Cambodian Problem Be Settled in Conformity With the CGDK's 8-Point Proposal and the Eight UN Resolutions"]

[Text] On 7 January, the Hanoi authorities ordered their running dogs in Phnom Penh to announce that they were ready to hold talks with the parties concerned to settle the Cambodian problem. On this issue, the spokesman of the CGDK Foreign Ministry rejected the aforementioned negotiation proposal of the Phnom Penh puppets as a deceptive trick of the Hanoi authorities concocted at a time when they were expecting dire difficulties in all fields both in Cambodia and at home. He stressed that in order to settle the Cambodian problem, Vietnam must withdraw all its aggressive forces from Cambodia in accordance with the past eight UN resolutions.

The Cambodian people fully support this position of the CGDK which demands that the Cambodian problem be settled through the withdrawal of the Hanoi authorities' aggressive forces from Cambodia to allow the Cambodian people to exercise their right to self-determination without any outside interference.

It is public knowledge that the Cambodian problem stems from the invasion and occupation of Cambodia by the Hanoi troops which have been massacring the Cambodian people in the most savage and barbarous manner in wanton violation of the UN Charter and international law and practice.

Therefore, if the Cambodian problem is to be settled, negotiations must be held between the two conflicting parties, namely between Vietnam, the aggressor, and Democratic Kampuchea, the victim of Vietnam's aggression, and these negotiations should cover Vietnam's withdrawal of its aggressive forces from Cambodia. Only after the Vietnamese forces are completely withdrawn from Cambodia can the Cambodian people enjoy their right to self-determination. If the Hanoi authorities keep clamoring deceptively about talks while refusing to pull out their aggressor troops from Cambodia, there can be no talks, for the Cambodian problem cannot be settled by the bayonets of the more than 200,000 Vietnamese soldiers in Cambodia.

The Cambodian people hold that the 8-point proposal put forth by the CGDK on 17 March 1986 is the fairest and most reasonable way to settle the Cambodian problem politically. It is clearly declared in this proposal that the CGDK wants to hold talks with Hanoi to discuss the withdrawal of Vietnamese troops in two stages.

After Vietnam has withdrawn its troops from Cambodia, Heng Samrin, who is a Vietnamese puppet, and his associates may join with the CGDK in setting up a quadripartite Cambodian coalition government in the spirit of great national union and national reconciliation in order to prepare for elections in Cambodia, which will become an independent, unified, peaceful, neutral, and nonaligned Cambodia free from the presence of all foreign forces. Moreover, after Vietnam has pulled out, Cambodia is ready to sign a nonaggression treaty with Vietnam and to coexist and maintain contacts with each other peacefully forever. Therefore, this is the only comprehensive proposal that is conciliatory both within the nation and toward Vietnam, a proposal that has won the broad support of the international community.

If the Hanoi authorities sincerely want to settle the Cambodian problem politically, they must accept this 8-point proposal, for it accords with the interest of both the Cambodian people and Vietnam itself and benefits peace, security, and stability in Southeast Asia.

The Cambodian people know the Vietnamese perfectly well. The Hanoi authorities cannot use their deceptive proposal maneuver to fool them. They fully support the CGDK's 8-point proposal to settle the Cambodian problem politically.

If the Hanoi authorities continue to reject this 8-point proposal and persist in occupying Cambodia, the Cambodian people and the DK National Army, together with all Cambodian resistance forces, have no other choice but to continue uniting in the struggle to force the Vietnamese enemy to withdraw all the aggressor troops from Cambodia in conformity with the eight UN resolutions.



FURTHER REPORTAGE ON VISIT OF PRC CHIEF OF STAFFMeets Supreme Commander

BK121619 Bangkok Television Service in Thai 1300 GMT 12 Jan 87

[Text] General Yang Dezhi, chief of General Staff of the Chinese People's Liberation Army [PLA], and his delegation held official talks with Supreme Commander Admiral Supha Khotchaseni at the Supreme Command Headquarters at Sanam Suapa today. The supreme commander said that the meeting with the PLA chief of General Staff confirms the good relations between the peoples and the armed forces of the two countries.

He was also briefed on the recent border fighting between China and Vietnam, which was because Vietnam needs to ask for more assistance from the Soviet Union and because Vietnam's present economic situation is very bad. China wants to put pressure on Vietnam in order to help the Cambodian situation improve.

Calls on Prem

BK121445 Bangkok Domestic Service in Thai 1300 GMT 12 Jan 87

[Text] At 1400 today visiting PRC Chief of Staff General Yang Dezhi and his wife, accompanied by Defense Minister Air Chief Marshal Phaniang Kantarat and PRC Ambassador Zhang Dewei, called on Prime Minister Gen Prem Tinsulanon at Government House. Also present during the meeting were Supreme Commander Admiral Supha Khotchaseni, Army Commander Gen Chawalit Yongchaiyut, Navy Commander Adm Thada Ditthabanchong, Air Force Commander Air Chief Marshal Praphan Thupatemi, Secretary to the Prime Minister Squadron Leader Prasong Sunsiri, Aide to the Prime Minister Major Gen Surayut Chulanon, and government spokesman Michai Wirawaithaya.

The prime minister cordially welcomed the PRC chief of staff and his party. Gen Yang Dezhi said all Chinese leaders asked him to convey their regards to the prime minister. They then exchanged views on the fighting along the Chinese-Vietnamese border and the impact of change of SRV leadership on Vietnam. Gen Yang rejected the Vietnamese claims that the fighting between Chinese and Vietnamese soldiers had resulted in heavy casualties, saying they are mere Vietnamese propaganda.

The prime minister thanked the Chinese Government for continued good cooperation with Thailand. Thai-Chinese relations at the armed forces, government, and the private sector levels are good, which is one of the reasons for the close Thai-Chinese relationship. He also thanked China for attaching importance to Asia by contributing to maintaining peace in the region.

Says Hanoi Started Fighting

BK130147 Bangkok THE NATION in English 13 Jan 87 p 5

[Text] General Yang Dezhi, China's armed forces chief-of-staff, yesterday accused Vietnam of launching the cross-border attacks last week in order to show off its military capability and to ask for more assistance from the Soviet Union.



Government Spokesman Michai Wirawaithaya quoted Gen Yang as telling Premier Prem Tinsulanon during a meeting at the Government House that only three local Chinese militia units were employed to resist the Vietnamese attacks.

Michai said Gen Yang, whose official title is chief-of-staff of the People's Liberation Army, also dismissed a claim by Hanoi that more than 500 Chinese soldiers were killed in the border fighting.

"Gen Yang said that the presence of the three local Chinese militia units was enough to prompt Vietnam to send more than 70 percent of its forces to guard the (Sino-Vietnamese) border," Michai said.

The spokesman said the military situation also had an "effect" on the Vietnamese forces in Kampchea.

Gen Yang, 77, who arrived Sunday from Bangladesh for a week-long visit, met Prem for about 20 minutes to discuss Sino-Thai relations. Also present in the meeting were Defence Minister ACM [Air Chief Marshall] Phaniang Kantarat, Supreme Commander Adm Supha Khotchaseni, Army Commander-in-Chief Gen Chawalit Yongchaiyut, Navy Commander-in-Chief Admiral Thada Ditthabanchong and Air Force Deputy Commander-in-Chief ACM Prathip Koetnawi.

Gen Chawalit told reporters that Gen Yang and his 12-man delegation will meet him at the Army Auditorium today and he will personally accompany them to visit the headquarters of the Ninth Army Division in Kanchanaburi tomorrow.

Michai said Gen Yang yesterday reaffirmed with Premier Prem Beijing's stand that all the Vietnamese troops must be withdrawn from Kampuchea.

However, the spokesman said the subject of military assistance from China was to be discussed during yesterday's meeting.

Before his meeting with Prem, Gen Yang called on Adm Supha, Adm Thada and Air Force Commander-in-Chief ACM Praphan Thupatemi during which Michai said they might have discussed the subject of military assistance.

Informed military sources told THE NATION that China wanted to sell three conventional submarines to Thailand and the topic might be raised during Gen Yang's visit.

Gen Yang last visited Thailand in 1983. Michai said Gen Yang's second visit to Thailand signifies the good relations between the two countries.

COMMUNIQUE ON MOSCOW MEETING OF ASIAN MINISTERS

BK130259 Hanoi Domestic Service in Vietnamese 1100 GMT 11 Jan 87

["Text" of press communique of the 8-9 January Moscow conference of socialist countries' vice foreign ministers -- date of issue not given]

[Text] 1. From 8 to 9 January 1987, a meeting of vice foreign ministers of the SRV, the PRK, the DPRK, the LPDR, the MPR, and the USSR, was held in Moscow to exchange views.

2. At the meeting, which took place in an atmosphere of friendship and comradely understanding, there was a detailed exchange of views on many international and regional issues.

3. The meeting's participants expressed profound concern over the tense political and military situation in the world because of the acts of the United States and other imperialist countries which continue the arms race, oppose the suspension of nuclear tests, and continually accelerate war preparations in various regions in the world. The representatives of the SRV, the PRK, the DPRK, the LPDR, and the MPR asserted their support for the constructive Soviet stand at the Reykjavik talks. The talks prove the realistic ability to liberate mankind from the danger of a nuclear disaster.

4. At the meeting, the determination of participating countries was once again asserted to cooperate with all the countries in the socialist community in the struggle against the nuclear danger and the arms race, for disarmament, and for the maintenance and consolidation of world peace, including peace in Asia and the Pacific, a region of increasing importance in world politics.

5. The meeting's participants stressed the extremely important and long-range meaning of the program for ensuring peace, security, and cooperation in Asia and the Pacific which the Soviet Union proposed at Vladivostok. This program responds to the feelings and earnest aspirations of the forces that struggle to protect peace and security and that aim at building new and correct relations in Asia and the Pacific.

6. At the meeting, it was emphasized that the New Delhi declaration on the principles for building a nuclear weapon-free and nonviolent world -- a document of new political thinking conforming to the conditions of the nuclear century -- reflects the interests of the world community and the aspirations and hope of all nations, and sets a pattern of relations among countries with different social systems. The principles mentioned in this declaration are oriented toward a peaceful future for mankind and, at the same time, open a path for the countries in Asia and the Pacific to advance together or on a parallel path to a lasting and just peace in Asia and to seek superior solutions to the complicated problems of this large area of this planet.

7. The meeting's participants welcomed the Soviet decision to sign the protocols of the agreement on nuclear-free regions in the southern Pacific, the Rarotonga agreement.

8. The meeting's participants supported the implementation of the well-known initiatives of the DPRK to withdraw troops and nuclear weapons from South Korea, turn the Korean peninsula into a nuclear-free zone, and unify the country through peaceful and democratic ways. The participants in the meeting supported the recent proposal of the DPRK to hold political and military talks between the North and the South. They stressed that it is impossible to maintain the partitioning of the country by preposterously recognizing and simultaneously admitting two Koreas into the United Nations and by using other tricks to create a state of two Koreas.

9. The implementation of an MPR proposal for an international convention on mutual nonaggression and nonuse of force in relations among countries in the Asia-Pacific region will, in fact, contribute to creating an atmosphere of confidence and security in the region.

10. The existing complex situation in Southeast Asia requires countries in the region to seek positive ways to resolve their existing problems on the basis of total respect for the sovereignty, independence, and territorial integrity of the countries concerned without outside interference in their international affairs. The many constructive proposals of the Indochinese countries and their policy of promoting dialogue with the ASEAN states for the sake of turning this region into one of lasting peace, stability, good-neighborliness, and cooperation as well as their policy of normalizing relations with their neighboring countries are precisely aimed at achieving these goals.

11. The meeting expressed support for the political lines of the leadership of the People's Democratic Republic of Afghanistan as they advocate the creation of conditions for promoting a public dialogue in all of Afghanistan aimed at achieving national reconciliation.

12. Those participating in the meeting called for a rapid implementation of the 1971 UN statement on turning the Indian Ocean into a zone of peace and supported a UN General Assembly resolution calling for an early international conference on the Indian Ocean to achieve this goal.

13. Those participating in the meeting supported the idea of dismantling all existing military bases in the Indian Ocean and the Pacific and preventing the establishment of new military bases. They condemned attempts by foreign countries to increase their military presence in this part of the world.

Those participating in the meeting were convinced that the normalization and further development of relations between the PRC and other socialist countries will have a positive effect on efforts to make the Asia-Pacific situation healthy and to consolidate peace and security in this part of the world.

14. Those participating in the meeting noted with satisfaction that at present, while struggling positively against war and the arms race, as well as against the settlement of various international problems by force, the Nonaligned Movement is making important contributions to renovating political thinking in keeping with the reality of the space era. The Nonaligned Movement has become an important factor in international relations and an influential force in the struggle of various nations for the maintenance of peace and the establishment of equal international relations.

15. Representatives of those countries participating in the meeting were convinced that the establishment of widespread trade and economic cooperation between countries in the Asia-Pacific region will contribute greatly to the process of making the situation in this region healthy and stated that it is their wish to participate in this kind of cooperation on the basis of mutual benefit and democracy.

16. At the meeting, there were discussions on measures aimed at increasing cooperation among fraternal countries on matters concerning guaranteeing peace and security in the Asia-Pacific region.

17. Those participating in the meeting were pleased with their exchange of views and expressed their determination to achieve closer cooperation in various international issues.



NGUYEN THANH BINH ATTENDS HANOI PARTY CONFERENCE

BK121519 Hanoi Domestic Service in Vietnamese 1100 GMT 9 Jan 87

[Text] From 5 to 7 January, the Hanoi municipal party committee met to review the implementation of the municipality's 1986 plan and to discuss and decide the targets, orientations, tasks, plans, and major measures for socioeconomic development in 1987, as well as to substantiate the three targeted programs of the party Central Committee concerning grain and food, consumer products, and export goods in Hanoi in order to implement the two central tasks of the municipality -- solving the problems of employment and life. The general objective of Hanoi's 1987 plan is to further stabilize the socioeconomic situation, including life, production, order, and security.

The municipal party committee introduced four major, uniform measures for socioeconomic development. These involve arranging more rationally the economic structure in the direction that has been determined, which includes industry, agriculture, service, and foreign economic relations; enforcing uniform policies to develop all social production forces with the state-operated and collective economic sectors retaining the key and leading position; vigorously encouraging the household and individual economic sectors to operate in the fields of production and service, apply in the new mechanism of management and planning according to the socialist accounting and business methods among all sectors in the municipality; and paying great attention to the application of advanced science and technology to all aspects of production in order to achieve notable progress in using and conserving materials to create new industrial programs and new products.

Summing up the conference, Comrade Nguyen Thanh Binh, member of the party Central Committee Political Bureau and secretary of the municipal party committee, pointed out the important significance of the 1987 plan -- the first year to implement the sixth party congress resolution on life in our country. He laid special stress on the responsibility of various party committee echelons and urged them to pay attention to closely guiding distribution and circulation work which is currently a vital and complex front; exercise new thinking and uphold dynamism in dealing with specific issues on the basis of creating favorable conditions for production to develop; and support all dynamic efforts to benefit society.

He also pointed out the need for them to pay attention to organizing satisfactorily the market and guiding distribution and circulation work, carry out socialist transformation under suitable forms and steps, struggle resolutely against all negative phenomena and speculative and smuggling activities, educate party cadres and members and improve their quality in compliance with the spirit of the party Central Committee Secretariat's directive on the celebration of the party's founding anniversary this year, and further prepare for the education drive to make the party organization and state machinery pure and strong.

FURTHER REPORTAGE ON INDIAN MINISTER'S VISIT

Communique Issued on Visit

BK121531 Hanoi Domestic Service in Vietnamese 1430 GMT 12 Jan 87

[Press communique on visit by Indian Minister for External Affairs Narain Dutt Tiwari -- date not given]

[Text] At the invitation of Vietnamese Foreign Minister Nguyen Co Thach, Indian Minister for External Affairs Tiwari paid an official friendship visit to Vietnam from 9 to 12 January 1987.



Accompanying Minister for External Affairs Tiwari were Their Excellencies Natwar Singh, minister of state for external affairs; Brahm Dutt, minister of state for petroleum; and Pujari, minister of state for finance.

During his stay in Vietnam, Minister for External Affairs Tiwari paid a floral tribute to President Ho Chi Minh at his mausoleum and visited his residence and office. The Indian delegation toured a number of economic and cultural establishments in Hanoi.

On 11 January, Minister Tiwari and his party paid a courtesy call on Mr Nguyen Van Linh, general secretary of the CPV, and conveyed to him the warm congratulations of Prime Minister Rajiv Gandhi on his election to the highest position of the CPV at its recent sixth congress. Minister Tiwari also conveyed the Indian prime minister's invitation for Mr Nguyen Van Linh to visit India at an appropriate time. General Secretary Nguyen Van Linh accepted the invitation with pleasure. On the same day, Chairman of the Council of Minister Pham Van Dong received and held talks with the Indian guests.

Foreign Minister Nguyen Co Thach and Minister for External Affairs Tiwari held talks on issues concerning bilateral relations and on regional and international issues of mutual concern. The talks took place in an atmosphere of sincerity, friendship, trust, and total mutual understanding.

The Indian side warmly greeted the success of the Sixth CPV Congress and believed that, with the decisions adopted at this historic congress, the Vietnamese people will be able to overcome the present difficulties and will score many new achievements in economic building and development and in ensuring national security.

The Vietnamese side expressed its admiration and appreciation for the great achievements recorded in all fields by the Indian people over the past nearly 2 years under the dynamic and clear-sighted leadership of Prime Minister Rajiv Gandhi. These achievements manifest the powerful vitality of a talented people determined to surmount all trials, to consolidate national independence and territorial integrity [word indistinct] to build India, and to make worthy contributions to the cause of peace, independence, and social progress in Asia and throughout the world.

The two sides achieved unity of views on (?a number of) major international issues and exchanged views on measures aimed at further strengthening the cooperation between the two countries in the common struggle of the nonaligned states and of the world people for peace, national independence, development, and a new world economic order.

Recalling Nehru's great (?prediction) 40 years ago about Asia's role in the cause of world peace in the atomic age, the Vietnamese side highly appreciates India's great contributions to this lofty cause and fully supports India's tireless efforts for the sake of peace, national independence, and development.

The Vietnamese side once again reiterated its full support for the New Delhi declaration by Prime Minister Rajiv Gahdhi and General Secretary Gorgbachev, a political platform of historic dimension reflecting the aspirations of the whole mankind in struggling for a world free from nuclear weapons and of the use of force in international relations.

The two sides exchanged views on the situation in the Asia-Pacific region.

They considered the major issues of peace and stability in the Asia-Pacific region and, against this background, noted the important contributions made by the CPSU general secretary in his Vladivostok address. The two sides held that although there still remain numerous difficulties and obstacles at present, there are realistic possibilities for broadening cooperation and friendship and reducing tension and conflict. Although they realize that it takes time to advance to peace and stability, the two sides expressed strong commitment for this cause.

The two sides discussed the regional situation and expressed their hopes that the complex and sensitive issues of peace and stability will be settled through peaceful negotiations in the spirit of goodwill and mutual understanding. The two sides reaffirmed their support for the resolutions on Southeast Asia of the seventh and eighth summit conferences of the Nonaligned Movement.

The two sides noted that to reach a solution to the Cambodian issue, it is necessary to prevent the return of Pol Pot and his associates, those who have implemented a genocidal policy.

The policy of national reconciliation and the elimination of all acts of intervention from outside are the decisive conditions to achieve a lasting solution.

The two sides noted with satisfaction that the deep and broad relations of cooperation and friendship between the two countries, fostered by president Ho Chi Minh and Prime Minister Jawaharlal Nehru and further strengthened by the late Prime Minister Indira Gandhi, have developed constantly. The visit to India in September 1984 by the late General Secretary Le Duan and the visit to Vietnam in November 1985 by Prime Minister Rajiv Gandhi marked a new step of development in cooperation in the political, economic, scientific, technical, cultural, and educational fields between the two countries.

The two sides decided to further strengthen cooperation in the economic, scientific, technical and other fields between the two countries and to build the relations between the two countries into an example of the South-South cooperation. With that spirit, the two sides signed an agreement on cooperation in the field of petroleum and an agreement on a 150-million rupee loan to Vietnam by India. India also said it will provide Vietnam with another loan of 100 million rupees. The two sides also decided that from now on, the regular sessions of the joint committee for economic, scientific, and technical cooperation will be held annually instead of once every two years. The planning commissions of the two countries will hold regular consultations.

The Indian side expressed sympathy with the difficulties of Vietnam in the immediate future and informed the Vietnamese side of Prime Minister Rajiv Gandhi's decision to donate 10 million rupees to the Vietnamese people for the purchase essential commodities.

The Vietnamese side expressed its sincere thanks and considered this as a manifestation of the close friendship between the peoples of the two countries. The Vietnamese people highly value the strong support and wholehearted assistance given to their cause of national construction by Prime Minister Rajiv Gandhi and the government and people.

The two sides are pleased to see that this highly successful visit will contribute significantly to strengthening the friendly relations between Vietnam and India as well as the peace and security in Southeast Asia and Asia.

The Indian side also expressed profound satisfaction at and highly appreciated the warm and friendly welcome accorded the Indian delegation during its visit to Vietnam.

His Excellency Tiwari invited Minister Nguyen Co Thach to visit India at an appropriate time. Minister Nguyen Co Thach accepted the invitation with pleasure.

**Concludes Visit, Departs**

OW122132 Hanoi VNA in English 1623 GMT 12 Jan 87

[Text] Hanoi VNA Jan. 12 -- Narain Datt Tiwari, minister for external affairs of India, and his party left here today, concluding a four-day official friendship visit to Vietnam. They were farewelled at the government guest house by Nguyen Co Thach, foreign minister, Lu Minh Chau, general director of the state bank; Nguyen Hoa, director of the General Department of Oil and Gas; Hoang Anh Tuan, ambassador to India, and others. Indian Ambassador to Vietnam Pushkar Johari was also present.

**VO TRAN CHI'S REPORT TO CPV CONGRESS**

BK311554 Hanoi NHAN DAN in Vietnamese 17 Dec 86 pp 4, 7

[Report by Vo Tran Chi, secretary of Ho Chi Minh City party committee, delivered at the 15 December afternoon session of the Sixth CPV Congress]

[Text] Dear Presidium,  
Dear comrades representatives of the fraternal parties,  
Dear delegates,

First of all, allow me to convey, on behalf of the Ho Chi Minh City party organization delegation, to all the comrades delegates and to the congress the warm sentiments, confidence, and enthusiasm of the communists and the laboring people of Ho Chi Minh City.

Our delegation would like to express total identity of views with the Political Report of the party Central Committee presented by Comrade General Secretary Truong Chinh and the report on the socioeconomic orientations, tasks, and targets for the years 1986-90 presented by Comrade Vo Van Kiet, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers, at the congress. The political report correctly assesses our country's socioeconomic situation; clarifies the theoretical and practical problems of the Vietnamese revolution in the new stage, thus reflecting an important step toward renovation of our party's thinking, and, at the same time, further substantiates the guidelines for advancement in the first stage of the period of transition to socialism. The strategic viewpoints and thoughts expounded in the political report affirm the correctness and creativity of the various resolutions of the party Central Committee -- especially the sixth plenum resolution (fourth tenure) and the sixth, seventh, and eighth plenum resolutions (fifth tenure) -- and the various viewpoints reached by the Political Bureau on the economic structure, on socialist transformation, and on the mechanism of economic management. Realities at the grass-roots level show that all lessons drawn from experience in the past 11 years are totally correct.



As a locality in which the struggle between the two roads, between the enemy and ourselves, and between the new and the old is taking place in a very fierce and complicated manner, Ho Chi Minh City, like many other friendly localities and many basic units, has worked hard and sought to remove obstacles in production, in business and in management difficulties -- issues that are recapitulated in the political report.

With regard to the management mechanism, since early 1980, there have emerged a number of grass-roots units that take the initiative in formulating plans for production and business, thereby opening up possibilities for integration and cooperation in production between central and local enterprises in the city and between the city itself and other provinces; and this has stopped the decline of many state-run enterprises that were tied up by the mechanism based on bureaucratic centralism and state subsidies, and stimulated the development of production. Since 1982, the city has carried out the division of labor and decentralization of management among the various precincts and districts and decided on the organizational system for grass-roots units, city wards, and villages, confirming that city wards and villages are planning echelons with their own budgets. This has created favorable conditions for the basic units to develop their initiative, dynamism, and creativity and to move forward step by step in meeting their own needs and carrying out economic accounting and socialist business. While the new managerial methods are being applied on an experimental basis, the struggle between the old and backward mechanism and the new and progressive mechanism has, at times, proceeded in a very intense and complicated manner. However, the new mechanism has won eventually and the direction that conforms to the economic law has been increasingly confirmed. Realities in Ho Chi Minh City and other localities show that a remarkable change in the situation can be brought about if production is allowed to proceed in accordance with its own law. Since 1981, the average annual increment rate of industrial production in the city has increased from 20 to over 30 percent. In 1985, the city's gross industrial output value more than doubled that of 1980 (based on the fixed prices of 1982). The conclusions drawn by the party Central Committee Political Bureau on economic viewpoints and the Political Report at this congress further clarify that we must definitely and rapidly renovate the mechanism of management.

Regarding socialist transformation, this work has, at times, been carried out in a campaign-like style with attention being concentrated heavily on dealing with the relations of ownership rather than on resolving in a coordinated manner all three aspects, namely, the systems of ownership, management, and distribution. Obviously, this work method did not produce any results. Afterwards, the city was driven into difficulties and confusion, causing it to slacken the process of transformation. This mistake by the city is due partly to the general viewpoints and partly to the failure to understand fully that "transformation is a regular and continuous task throughout the period of transition, and the efficiency of this task lies in the effective employment of all the existing economic bases and forces through appropriate forms and steps based on socialism." Since the Political Bureau issued Resolution No 1 on the tasks of Ho Chi Minh City in 1982, the city has made great efforts to move in the direction of "transforming for better use and using for better transformation"; and affirmed even more clearly that the objective of socialist transformation is to stimulate the development of production forces and improve the people's life. On this basis, the city has adopted policies and organizational forms that are suited to the managerial and technical skills of the production forces and deeply respond to the law governing the operation of each sector in production and circulation. As a result of this, production has picked up, the laboring people's income has increased in proportion with productivity, and life has been improved.

Since early 1986, in addition to paying attention to consolidating and strengthening the state-run and collectivized economic sectors, the city has opted to encourage the family-based and individual economic sectors in order to create conditions for the various economic components to mobilize their funds, machinery, and professional skills for production development, thus generating employment for laborers and stabilizing the people's life. The city has so far set up thousands of additional production establishments, providing employment for more than 10,000 laborers, exactly as the Political Report points out: "It is necessary to adopt policies that pave the way for laborers to create jobs themselves" and develop "the scattered yet very important potentials among the people." Also, in the past few years, the city has expanded on an experimental basis the form of profit-sharing joint state-private enterprises, established joint enterprises with small business owners, and experimentally built "agricultural-industrial-commercial-credit" models in some agricultural cooperatives and villages. In the field of trade, along with concentrating on consolidating and expanding the socialist trade network and intensifying market management, the city has begun to experiment with the transitional economic form of business cooperation with middle traders while organizing small traders into commodity sectors, employing them as sales agents, or utilizing their professional skills. In the process of transformation and utilization, it is impossible to avoid negative aspects which the city has always tried to detect and overcome. Based on our practical experience -- drawn from both successes and failures -- we totally agree with the new viewpoints concerning the management mechanism, economic structure, and socialist transformation that have been profoundly summed up in the political report at the congress.

Dear delegates,

The political report of the party Central Committee has asserted that "it is of prime importance to renovate the socioeconomic policies in order to develop the mastery role and zeal of the laboring people and launch an enthusiastic mass movement to simultaneously carry out the revolution in production relations, the technological-ideological revolution, and the ideological-cultural revolution." In the immediate future, it is necessary to gear renovation -- chiefly renovation in the investment portfolio and renovation in policies and in the organization of cadres -- toward implementing at all costs the three major targeted programs of grain and food products, consumer goods, and export goods. Obviously, if we cannot achieve these three major programs, we will not be able to extricate our economy from the current acute difficulties, achieve stabilization and favorable development, and create firm bases and premises necessary for socialist industrialization in the following stage.

As one of the industrial centers of the country, Ho Chi Minh City possesses much potential. At the same time, it also has the heavy duty of implementing the above-mentioned three major targeted programs, taking into consideration their organic relations.

1. In order to resolve the problem of grain and food for the entire country, the most important thing is to determine where investment should be made to get the quickest and highest results. The Mekong River Delta has been classified as the country's largest grain center.

Together with the Bien Hoa industrial complex (Dong Nai), Ho Chi Minh City must surge forward to effect a change in the Mekong River Delta rice bowl, the industrial crop and animal husbandry areas in eastern Nam Bo and in the southern part of the Central Highlands, and the fishing area from southern Trung Bo southward. [paragraph continues]

In this direction, the city will be responsible for the production and restoration of various types of machinery needed in agriculture, forestry, and fishery; and especially for major repair services, the assembly, modernization, and production of spare parts and other necessary agricultural tools. On the other hand, the process of regional agricultural development cannot be separated from the city's efforts to develop the processing industry, especially its refining work. The city must regard efforts to raise the quality of its export goods as a principal objective to be achieved in the implementation of its central tasks.

With regard to the suburbs in particular, although the agricultural, forestry, and fishery areas are small, we must actively create for ourselves a source of grain, a food belt, and an area planted with suitable industrial crops to meet an important part of the needs of grain and food in the city, raw material for industry, and goods for export.

2. The manufacture of consumer goods is a strength and a great potential of Ho Chi Minh City. In a number of light industry sectors -- including industry and artisan and handicrafts -- Ho Chi Minh City has a large scope of activity and a relatively-high level of specialization in consumer engineering, electronic assembling, textiles, food industry, pharmaceuticals production, soap and general detergents, plastics, cosmetics, printing, cultural products, and so forth. Although having used only around 40-50 percent of its production capacity, the city's production volume of consumer goods has constituted 40 percent of the country's total.

In the past, thanks to its correct course of action and its economic integration with various provinces, the city's consumer goods industry has been maintained and developed. However, from this Sixth CPV Congress, our city has realized more clearly that the pace of development attained by the city recently does not reflect the city's actual capacity, nor does it respond to the needs of the entire country. The city's consumer goods, if appropriately developed and qualitatively improved, will better meet the demands of life in the countryside, generate abundant commodities that can be exchanged for agricultural products in the region, accelerate agricultural development, and at the same time, resolve significantly the unnecessary privations facing the life of the people nationwide and create the possibility for exchanges with the friendly countries of Laos and Cambodia, and cut down on the importation of luxury goods that is causing difficulties to the economy.

To achieve this, the city itself will exert its best efforts; and we propose to join the central sectors in reorganizing coordinated efforts among the various industrial branches and central engineering, national defense industry, and local industry capabilities located in the city. One pressing problem is the revision of the investment portfolio in the correct direction, concentrating on making intensive investments, removing bottlenecks in the procurement of supplies and raw material, and providing better benefits to producers to boost the use of the city's machinery capacity to 70-80 percent and double the current value of its consumer goods output in the shortest time possible. With great pleasure, the city thinks that this is the most economical and effective guideline for it to play an important part in this targeted program.

3. The program for producing export goods -- or to put it more broadly, the spearhead of the external economy -- involves very many aspects; and it is closely associated with the two programs mentioned above. The city is deeply aware of its responsibility regarding this program. [paragraph continues]



Resolution No 1 on the tasks of Ho Chi Minh City, which was issued by the Political Bureau in 1982, affirmed "the very favorable position and conditions of the city" in terms of external foreign relations and international exchanges. Since then, the city has, however, not met the expectations of the central level.

In the coming period, along with increasing the sources of export goods, the city will channel its efforts to developing various forms of local labor exports through labor contracts, which also cover the restoration, assembling, and modernization of equipment, machinery, transportation means, and other necessary means of life; and make use of all possibilities for cooperation with foreign companies and overseas Vietnamese.

Regarding international services in the field of air and sea transportation and tourism at the city's harbor and airport, the city has over the past 11 years not yet joined the central level in expanding and developing these branches; and this is a serious waste and loss. The packaging industry as well as the maintenance, storage, and cargo-handling sectors in the city must also be strongly developed on a scale suitable with the city's inherent superior position.

There is a great possibility for procuring foreign currencies and noncommercial goods sent to nearly 200,000 families in the city from their relatives in foreign countries. This is an economic potential and also a social problem that must be solved along the lines of "winning the people's hearts"; but the city is still fairly slow in adopting socioeconomic policies to bring about good results.

In all three programs, science and technology plays a very important role. The city, with effective assistance from the central level, must adopt policies aimed at using more rationally its contingent of scientific and technological cadres together with its existing scientific-technological bases which have so far been left lying idle. Along this direction, the city will not stop at the linking of science and technology to production but will also reinforce production establishments with scientific and technological forces so that science and technology will become a direct production force that brings about realistic results.

In light of the congress resolutions, the city must continue to think, broaden its outlook, and embark immediately on organizing the implementation of tasks with an innovative spirit in order to contribute to carrying out the three common programs of the entire country.

Of course, the city cannot ensure all the necessary conditions for success. The city urgently requests that the central government provide it and the outlying areas with the necessary supply of electricity. The pace of construction of the Tri An hydroelectric power plant must be determined so that the first set of generators at the plant will be put into operation by the end of 1987. The Thu Duc and Can Tho thermoelectric power plants should be expanded. In the 1986-90 plan, we should embark on building the Ham Thuan hydroelectric project if we are to have enough electricity for the 1990's. Along with improving the local electricity grid to accommodate electricity supply from the Tri An power plant, we must form a national electricity network, taking into consideration general plans in the spirit of "developing electricity one step in advance."

It is of decisive importance that many policies be renovated urgently as already noted in the political report. [paragraph continues]

These are the policies on national finance, accumulation, and consumption; policies toward workers and socialist transformation; and other specific policies and regulations on banking, the supply of materials, tax rates for stimulating production, prices, foreign exchange rates, and so forth. These policies must reflect a uniform renovation of the entire management mechanism in order to definitely eliminate the former bureaucratic centralized management mechanism based on state subsidies. Although renovation requires a long process, the urgent requirements of the situation do not allow us to delay. Lastly, the machinery and the people involved are of special importance as they are decisive factors.

Economic integration and cooperation between the city and other localities in the regions as well as between the city and other central sectors constitute a vital requirement for the city and the region. With regard to friendly localities, the city should adopt a spirit of equality and socialist cooperation in the interest of all parties concerned and also in the common interest of the nation if we are to create an integrated strength with which to implement the three targeted programs outlined in the congress resolution.

Dear congress,

The city delegation totally agrees with the political report which advocates party building as the deciding factor in all the successes of the revolution. In its current party-building work, the city should concentrate on the key task of raising the role, position, and combative strength of all grass-roots party organizations. Facts obtained over the past few years show that the vitality has always emerged from the infrastructure where the greatest difficulties and complications lie and also where the mechanism of mastery by the people is directly realized. Grass-roots party organizations are the very places where the masses' dynamic force is brought forth to develop the people's great potentials and implement successfully all party and state socioeconomic plans. In various production and business units and service establishments, many basic units of the city party organization still remain very weak, and the party's leading role is taken lightly. This is intolerable because it is at the very places where wealth is produced directly and the new man is being built that the party must closely associate itself with the people, rely on the people as roots, and really assume its role as the nucleus of leadership in all activities. We must show grass-roots party organizations, especially those in production and business units, how to assume leadership over mass organization. It is necessary to control and educate the trade and youth unions, considering them as the party's strength for carrying out socioeconomic tasks; and at the same time, through the activities of mass organizations, to control and supervise the managerial role of enterprise directors and unit leaders and also to prevent, check, and oppose negativism from the grass roots. Grass-roots party organizations must consider building the contingent of workers at enterprises and other units as their main target. Along with caring for their material and spiritual life, it is necessary to arouse enterprise workers' awareness in the movement for revolutionary action, enhance their role of mastery, and vigorously extend party membership to workers on the basis of that movement.

Another important issue for the city party organization is that it must restore principles and discipline in party life, party traditions, the Leninist workstyle, and so forth, that have at times been neglected; and on that basis, further enhance the stand of the working class, the ideal of communism, and the vital need for all party cadres and members and all basic party units to maintain a close bond with the masses. At the same time, it is necessary to improve thinking and the capabilities for leadership, organization, and management -- especially economic management.

Dear comrade delegates,

Upon embarking on implementing the congress resolution, we are faced with not a few difficulties and obstacles. However, the party organization and people of the city are filled with firm confidence because formerly, within the framework of the bureaucratic centralized mechanism based on state subsidies, the city and its various localities and basic units thought hard, strove to surge forward, and contributed to the formulation of many party and state viewpoints and policies. The resolution of this congress obviously upgrades and perfects the correct strategic viewpoints of our party, and it reflects a turning point on the road toward renovation of the country in conformity with the trends of our times. In reality, the door is now open for even more vigorous upsurge by every locality, every basic unit, and everyone of us. This is also a pressing requirement of the revolution, of the masses, and of life, which can be neither postponed nor reversed. At the fourth congress of the Ho Chi Minh City party organization held recently, Comrade Nguyen Van Linh urged the city to remember forever the important guiding suggestion given by the late Comrade General Secretary Le Duan: "For the entire country and together with the entire country, it is certain that Ho Chi Minh City will build socialism successfully."

On behalf of the city party organization and people, the Ho Chi Minh City delegation pledges that they will do their best to be worthy of the confidence of the congress, comrades, and compatriots throughout the country, and of the city named after esteemed Uncle Ho.

My sincere thanks to the congress Presidium.  
My wish for good health to all comrades delegates.

#### NHAN DAN ARTICLE ON NEED TO RENOVATE THINKING

BK080701 Hanoi Domestic Service in Vietnamese 1100 GMT 2 Jan 87

[NHAN DAN 2 January article: "Renovation of Thinking Is an Urgent Requirement of the Revolution"]

[Text] In the course of leading the revolution over the past 56 years, our party has scored important achievements in theoretical and scientific thinking. In the struggle against imperialists for national independence, they were the concept that nothing is more precious than independence and freedom, the theory of upholding the two banners of national independence and socialism, the revolutionary method of seizing power, the science of the people's warfare, and the arts of strategic and tactical leadership. In the socialist revolution, the party's achievements in theoretical thinking are reflected in the contents of the general and economic lines set by the fourth and fifth party congresses. With its correct assessment of the situation, the sixth party congress has derived many valuable experiences, and set forth the targets in the system of solutions to improve the situation, bringing about many new concepts.

Apart from its important achievements, our party has made some mistakes and shortcomings in its knowledge and application of objective laws. With an attitude of looking squarely at, and correctly assessing reality and speaking truth clearly, the party Central Committee in its political report to the sixth congress clearly indicates: To strengthen its militancy and real organizational ability, the party must renovate itself in many respects. It must renovate its thinking -- first of all economic thinking -- organization, contingent of cadres, leadership and work behavior. Renovation, especially renovation of thinking, is currently a demand of life which urges us to acquire quickly new viewpoints and resolutely get rid of outdated ones.



For many years now, we have maintained outdated viewpoints in our knowledge of socialism, especially viewpoints on industrialization, socialist transformation, management mechanism, and distribution and circulation. On many specific issues such as prices, markets, individual economy, and standards of human values in society, our knowledge has at times still borne the mark of old viewpoints. It is crystal clear that old thinking is holding us back. If we do not sever ourselves from it, we will be able to advance. Great and quick changes are taking place in the world. Socialism is striving to show its comprehensive superiority over capitalism. Today's world evolves in complicated relations rife with contradictions, yet unified. Never before have the interaction of these relations been as swift, alert, and strong as now. There are several issues demanding the adoption of a new way of seeing things in order to determine guidelines and policies. The past lesson of combining national strength with the strength of the era still has its value intact.

The scientific and technical revolution is taking place on an unprecedentedly large scale, bringing about many great and marvelous achievements for mankind. It develops and internationalizes the production force very rapidly. The scientific and technical revolution is the result of thought activities. Its achievements have further exerted a strong impact on the political, economic, and philosophical thoughts of each person. The achievements of social science have also provided theoretical premises for defining the policies and lines of the party and state. All of these issues are calling for a new way of seeing things in order to derive good observations and put forth correct lines and policies.

Speaking of renovation of thinking, it means renovation not only of the method but also viewpoints that are the contents of thinking. The party Central Committee's political report to the sixth congress clearly indicates: If we want to renovate thinking, our party must firmly grasp the revolutionary and scientific characters of Marxism-Leninism, inherit the valuable ideological and theoretical legacy of President Ho Chi Minh, Comrade Le Duan, and other comrade party leaders; and receive the theoretical achievements and new rich experiences of fraternal parties and the scientific knowledge of the era. We must accelerate the theoretical research task, correctly review socialist construction and national defense undertakings, draw correct conclusions, and overcome erroneous or outdated viewpoints.

Renovation of thinking is not a total rejection. On the contrary, it is an elimination of inappropriate viewpoints and the amendment and development of theoretical achievements. There are viewpoints that were previously correct but are now inappropriate under the new conditions. They should be changed. In wartime, there were certain things deemed necessary, that had to be done at any cost such as distribution and the application of a supply system to a larger area within given limitations. However, in peace time, such a work method cannot continue. The longer it is kept, the more harm it will do. Lenin said: Human shortcomings seem to be a continuation of human strong points. If these strong points prevail beyond the necessity level and are manifested at unwanted spots, they will become shortcomings.

Life compels us to observe rules and act accordingly. The rules of production relations must agree with the characteristics and standards of production forces. These are the general rules of all societies. If we fail to thoroughly know these rules and erroneously apply them we will cause negative results; we must then restart and correctly apply the rules relevant to the conditions of our country. This is the renovation of our knowledge and not a rejection of objective laws.

Although there are viewpoints that were previously correct and are still so, as the real situation constantly changes and develops, they are unable to meet the new requirements and thus must be supplemented and developed so that our knowledge and theory can be kept abreast of the situation. It is right that we must mention the renovation of economic thinking, because the economy is a factor in deciding the course of social development. Nevertheless, renovating thinking is not limited to the economic domain but must be performed in all party and state activities.

The various documents of the sixth party congress mark an important beginning and serve as the ideological premises for renovating thinking. All of us, from leaders to party members and no matter in which field we work, should review our knowledge, strive to quickly receive new views, and resolutely get rid of old and erroneous ones. The conclusions of the Political Bureau concerning the issues of socialist industrialization, socialist transformation, and economic management structure which are shown in the political report of the sixth party congress, not only provide us with correct scientific knowledge and concepts but also point out the guidelines for correcting and overcoming mistakes and shortcomings in our knowledge and method of work.

These guiding strategic concepts must be thoroughly understood and manifested practically into material strength to strongly assert the renovative trend of our country's revolution. In the social field, quite a few issues are calling for a new way of thinking. First of all, we should have a right concept about the position of the social issue. Quite a few people consider social issues merely as a matter of assistance and aid. Such a concept generates social policies that limit or annihilate the motivating forces in the process of production. It makes some people misunderstand that everyone may benefit from the social policies regardless of one's quantitative and qualitative labor contributions to the society. Social policies are human policies. They not only serve workers directly but also create motivation for socialist construction. The economic standard constitutes a condition for implementing the social policies. Conversely, social targets are the objectives of economic activities.

The social policies cover all aspects of human life, namely the conditions of labor and entertainment activities and class and family relations. These are extremely important issues to be attentively settled in a coordinated manner in line with the real situation in our country.

In the fields of organization and cadres, renovating thinking is all the more important. We should change the concept of keeping personnel issues secret among a few people and the feudalistic, narrow-minded, and paternalistic concept of longevity making one a village boss. Some view that competent and good cadres are now critically short. Replacements are badly needed but cannot be found. Such opinions have restricted our range of view, making us unable to discover good and competent people for positions of responsibility.

We must renovate our concepts and expand democracy in the organizational and cadre tasks and rely on the masses to understand cadres. The masses will help us discover the right people who are qualified, able, and who deserve to be appointed to positions of responsibility and will assist us in detecting unqualified and incompetent cadres to be replaced.

We should also renovate the ideological task. The ideological task plays a great role in the process of renovating thinking.

Theoretical activities, a component of the ideological task, are charged with providing new concepts to the renovation of thinking. The propaganda and educational activities help all people acquire new concepts and overcome old ones. Weaknesses and shortcomings in the ideological activities such as simplism, monotony, shallowness, emptiness, one-sidedness, and so forth originate from the old knowledge of the ideological task. Therefore, the ideological task must be renovated with respect to its contents and forms, organization and management, and personnel and facilities.

It is not an easy task to renovate thinking. We should actively create favorable conditions for the renovation process. We must accelerate the tasks of scientific and theoretical research. The viewpoints in the sixth party congress documents and the method of examining the political, economic, cultural, and social issues at the congress serve as models for new thinking.

The process of thoroughly understanding the congress resolution is mainly the process of renovating thinking in the party and the entire society.

We should create an atmosphere of democracy and openness and the habit of debating and criticizing in scientific and theoretical research.

Renovating the information task is also an important condition for renovating thinking. The system of information must be accurate, multilateral, and timely. False information given in an attempt to falsify or make one-sided reports out of different motives makes it impossible to have correct thinking.

Publicity and democracy in the information task constitute conditions for developing scientific thinking and for promoting the collective intelligence of all the party and people.

The renovation of thinking is not limited to areas of pure knowledge. Thinking in the old or new way is always closely connected to the interests and position of an individual or a collective. Sometimes out of personal interests and narrow-minded guildship, one can oppose renovation under several forms ranging from brazen public action to subtle thoughts.

Consequently, renovating thinking is a struggle between the old and the new and between conservative backwardness and revolutionary progress. Renovation is not limited to a certain number of people. Depending on one's positions and duties, everyone must struggle to renovate oneself.

The process of renovation should be linked to the campaign to purify the party, overcome the corrupt phenomena in the state machinery, and repel negativism in society. The party Central Committee's political report to the sixth congress stressed: To our country, renovating thinking is currently an urgent requirement of the revolution and a matter of life and death.

New thinking opens the way for renovating the activities of party leadership and society. By renovating the society, we will consolidate the new thinking, turn the renovation concept into material strength, further consolidate and develop the strength of the party and people, and advance the revolution in our country to new and even greater victories.



AUSTRALIAMINISTERS TERM U.S. BARLEY SALE 'REGRETTABLE'

BK090209 Melbourne Overseas Service in English 0030 GMT 9 Jan 87

[Text] The federal government has criticized the latest sale by the United States of subsidized barley to Saudi Arabia -- the biggest single market for Australian barley. In a joint statement, the trade minister, Mr Dawkins, and the primary industry minister, Mr Kerin, said the sale of 1.25 million tons of subsidized barley under the American export enhancement program was untimely and regrettable. They noted that the United States already had sold a similar amount of subsidized barley to Saudi Arabia under the program which had resulted in a significant price drop.

The ministers said the latest move was contrary to Australia's understanding that no further sale would be initiated during the present United States marketing year ending next April. They said as well as reducing the Australian export returns, the American action had contributed to a 25 percent-reduction in Australian barley planting this year.

DEFENSE MINISTER DISCLOSES MISSILE ACQUISITION

BK130859 Melbourne Overseas Service in English 0830 GMT 13 Jan 87

[Text] Australia has purchased almost \$100 million worth of surface-to-air and antiship missiles. The defense minister, Mr Beazley, said standard surface-to-air missiles had been bought for the Navy and Harpoon antiship missiles for the both the Navy and the Air Force.

Mr Beazley said both missile purchases were part of a continuing missile acquisition program and would maintain the operational readiness of the Navy and Air Force into the 1990's.

He said the Royal Australian Navy was the first Navy to integrate Harpoon missile into the fire control system of a conventional submarine and its use on the Air Force's F-111 aircraft was also unique.

The missiles are being bought under a foreign military sales agreement with the United States Navy from the suppliers, McDonnell-Douglas and General Dynamics.

TALKS UNDERWAY FOR POSSIBLE SHEVARNADZE VISIT

BK130624 Melbourne Overseas Service in English 0430 GMT 13 Jan 87

[Text] Talks are underway between Australian and Soviet officials for the possibility of an early visit to Australia by the Soviet foreign minister, Mr Eduard Shevardnadze. This report from Radio Australia's national affairs reporter, Tony Hill:

[Begin Hill recording] Confirmation of moves toward a possible visit early this year followed a newspaper report that Mr Shevardnadze would be coming to Australia next month.

However, a spokesman for the Department of Foreign Affairs said no visit had been planned for (?then) and discussions were continuing on the longstanding invitation for a visit by a Soviet foreign minister.

Australia's foreign minister, Mr Hayden, reissued the invitation to Mr Shevardnadze last year. A visit by Mr Shevardnadze to Australia would be the highest-level visit by a Soviet official and would come at a time of growing concern in the Australian Government over Soviet influence in the South Pacific. [end recording]

#### FURTHER ON EXPULSION OF ENVOY FROM NEW CALEDONIA

BK130628 Melbourne Overseas Service in English 0430 GMT 13 Jan 87

[Excerpts] It has been alleged that one of the reasons for the expulsion of Australia's consul general in New Caledonia was French anger at payments made from an Australian Government development aid fund. The influential Paris newspaper, LE MONDE, says the consul general, Mr John Dauth, made payments to a cultural center in the home region of a Kanak separatist leader, Mr Jean-Marie Tjibaou. [passage omitted]

Meanwhile, the head of Australia's nongovernment aid agencies says Australian Government payments to Kanaks in New Caledonia are helping to strengthen the independence movement in the territory. Mr Russel Rollason, as the executive director of the Australian Council for Overseas Aid [ACOA], was responding to reports that Australia's consul general in Noumea had made payments to a Kanak cultural center in New Caledonia. Mr Rollason told Radio Australia that Mr Tjibou had also sought aid for the cultural center from the ACOA.

#### VANUATU

#### SPOKESMAN SAYS FISHING AGREEMENT WITH USSR TO BE SIGNED

BK130626 Melbourne Overseas Service in English 0500 GMT 13 Jan 87

[Text] It has been reported from Vila that the Government of Vanuatu will soon sign a fishing agreement with the Soviet Union. An official spokesman confirmed this morning that the government was confident of signing the fishing agreement soon because, he said, it had the support of the ruling Vanuatu Party which represented the majority opinion of the country. However, no exact date was mentioned.

Radio Australia's correspondent in Vila says the government announcement was in reaction to statements by two opposition parties critical of a fishing agreement with the Russians.

A statement by the Union of Moderate Parties, UMP, said it would organize a demonstration against Vanuatu signing such a fishing agreement. The National Democratic Party said the government would be acting against the wishes of the people and accused the government of having communist leanings.

Our correspondent said the government has responded by saying that the UMP had no foreign policy while the NDP merely represented a few struggling businessmen in Vila.

GOVERNMENT ON TRUCE EXTENSION; TALKS PROGRESS

HK130651 Hong Kong AFP in English 0645 GMT 13 Jan 87

[Text] Manila, Jan 13 (AFP) -- The Philippine Government said Tuesday it may agree to extend a ceasefire with communist rebels, subject to the achievement of substantial progress in peace talks with the rebels, and the people's wishes.

Government and rebel negotiators were due to meet Tuesday to continue formal talks aimed at reaching a political settlement to the almost 18-year-old insurgency, although the two sides have so far failed to agree on the agenda.

"I hope we can agree on a common agenda this noon," chief government negotiator Teofisto Guingona said.

One of the conditions of a 60-day ceasefire which is due to end February 7 was that the two sides would hold substantive peace talks.

The general trend of feedback which the government had received from across the country was that the people wanted an extension of the current truce with the communists, Mr Guingona said.

"We have to listen to the people. It is what they want, not what we want," he added when asked at a news conference if the government would be willing to extend the truce.

"We would like to have substantial progress (in the talks) and listen to the clamor of the people," Mr Guingona added, and the government would assess both factors "a few days or a week" before the end of the ceasefire.

Satur Ocampo, one of the National Democratic Front (NDF) negotiators representing the communists in the talks, said before Tuesday's meeting began: "I think there is a general feeling that the ceasefire was a good thing." But he added that "if there would be no substantive results in the peace talks, the rationale for a ceasefire" would be negated.

"What is important is that we make a breakthrough in the talks," Mr Ocampo stressed, after which both panels could discuss a possible extension of the ceasefire.

NDF spokeswoman Carolina Malay-Ocampo had said Monday that the communist insurgents were engaged in an internal debate on the wisdom of extending the ceasefire and of taking further part in negotiations with the government.

On Tuesday's talks, Mr Ocampo said, "at this pint, there has been an agreement on the very generalized categories" for discussion, referring to the "food and freedom, jobs and justice" framework proposed by the government.

He said both panels still had to iron out their differences on the particularities of the proposal, adding that "we are not coming out today with any new proposals but we are expecting the government" to act on the rebels' 10-point "priority measures" submitted earlier.



The NDF had demanded the release of jailed communist leader Rodolfo Salas, whom it named as the third member of its negotiating panel, and the dismantling of paramilitary units in the countryside to provide "an auspicious beginning to our substantive negotiations."

#### Panels Agree on 'Fresh Start'

HK130827 Hong Kong AFP in English 0814 GMT 13 Jan 87

[Excerpts] Manila, Jan 13 (AFP) -- Government and communist negotiators Tuesday agreed on a "fresh start" as they resumed formal talks aimed at finding a political settlement to the almost 18-year-old insurgency.

The two sides have so far been unable to reach agreement on an agenda for the peace talks, but chief government negotiator Teofisto Guingona said he hoped that this problem could be ironed out during Tuesday's meeting.

The Philippine Government earlier said it might agree to extend a ceasefire with communist rebels, subject to substantial progress being made in the talks and to the wishes of the Philippine people.

Mr. Guingona and Satur Ocampo, head of the rebel alliance National Democratic Front [NDF] panel, grinned broadly as they shook hands before the press at the start of their meeting.

Mr. Ocampo said: "Chairman Guingona and myself exchanged statements of a mutual desire to set aside the rather strong words that have been exchanged in the past days between the two sides and try to achieve a fresh start in the negotiations."

Mr. Guingona, who also heads the government's auditing office, said: "We would like every now and then to clear the air and have a fresh start for we have common goals and common problems to address." [passage omitted]

Meanwhile, the leftist Partido ng Bayan (PNB) or People's Party proposed Tuesday the postponement of a plebiscite to ratify a draft new constitution, saying it placed a "constraint" on current negotiations for a political settlement of the communist and Moslem insurgencies in the country.

PNB official Alan Jazmines warned that "violence may explode" if the charter was not revised and the February 2 plebiscite pushed through.

#### Poverty Issue Stressed

HK121545 Manila MANILA BULLETIN in English 12 Jan 87 pp 1, 14

[By Rod L. Villa Jr]

[Excerpt] Government and rebel leaders expressed yesterday a mutual determination to tackle substantive issues set in the framework of "food and freedom, jobs and justice" when they resume their peace negotiations tomorrow.

Chairman Teofisto Guingona Sr of the government panel asked the National Democratic Front [NDF] leaders to stress "on our commitment to eliminate poverty and social injustice, rather than dwell on our differences in our analysis of their root causes."

"It is from this commitment that our peace negotiations should stem, a commitment devoid of the gun, but nonetheless made more powerful by the support and inspiration of our people," Guingona said.

He challenged Antonio Zumel, Satur Ocampo and Carolina Malay-Ocampo of the NDF to "Look beyond" their demands and recognize their common goal to "complete the people power revolution."

The NDF negotiators said they would present "new and solid justifications" for the Release of Rodolfo Salas, alleged chairman of the Communist Party of the Philippines, to allow him to actively participate in the ongoing negotiations.

They asked President Aquino again to consider the appeal of former Senator Jose W. Diokno, a member of the government panel, to free Salas who he said was arrested without a court warrant and is being held without preliminary investigation, in violation of Salas' constitutional rights.

Bishop Antonio Fortich, chairman of the National Ceasefire Committee, said there has been no significant violation of the 60-day ceasefire up to its halfway point, and that a nationwide clamor for its extension has intensified. [passage omitted]

#### 'Public Clamor' For Truce Extension

HK121551 Manila MANILA BULLETIN in English 11 Jan 87 pp 1, 22

[By Rod L. Villa Jr]

[Text] A public clamor to extend the 60-day ceasefire intensified as the truce reached its halfway point yesterday.

Bishop Antonio Fortich, chairman of the National Ceasefire Committee (NCC), said it is "becoming more evident" that the truce should be stretched at least to the original 100-day proposal, as he reported that resolutions supporting the ceasefire's extension are being received by the NCC.

He invited religious leaders, regardless of denomination, "to bring the message of peace before your altar to the people."

Fortich also asked non-government, professional, and community leaders to mount a campaign to prolong the truce to widen the space for both panels to arrive at a political settlement of the 18-year conflict.

But the NCC also received resolutions declaring that the peace talks are futile, and that the differences of the two panels are so serious a prolongation of the talks is "a useless exercise."

President Vicente D. Millora of the Integrated Bar of the Philippines said all efforts must be exhausted to achieve peace, which the people want after two decades of widespread killings under the previous regime.

Dr Jose G. Tamayo, president of the Filipino Association of Medical Educators (FAME), said "the people are tired of bloodshed; all they want is to be let alone to work and live in tranquility."

Dr Amado C. Dizon, executive vice president of the Philippine Association of Colleges and Universities (PACU), said the government and rebel negotiators "must not shirk their responsibility to the people trusting in their patience and wisdom to bring peace and progress to the nation."

Meanwhile, government peace negotiators expressed impatience yesterday over the penchant of rebel leaders for discussing side issues instead of focusing on "food and freedom, jobs and justice" to end the conflict.

Chairman Teofisto Guingona Jr of the government panel asked National Democratic Front negotiators to waive their 10 demands to enable both sides to tackle the four-point framework proposed by former senator, Jose W. Diokno.

Antonio Zumel was in Cebu City while Satur Ocampo, accompanied by Jaime Guerrero of the government panel, were in Cagayan de Oro City as both sides continued their "propaganda war" yesterday.

The NDF leaders called on Guingona and his committee members to "take a deeper understanding of the nature of our revolutionary movement." They raise the "increasing possibility of a collapse" of the ceasefire agreement with the hardening of the government's position, exacerbated by what they claimed as the prepositioning of massive military forces "ready to jump on our rebel defenses" in the event of a resumption of fighting.

#### Consequences of Truce Failure Viewed

HK121451 Quezon City Radyo ng Bayan in Tagalog 0900 GMT 12 Jan 87

[Text] The country's economic situation will be greatly affected if the cease-fire agreement collapses. Here are more details from Glo Custodio.

[Begin Custodio recording] Government negotiator Teofisto Guingona underlined this point in an interview this morning, in which he added that if fighting resumes between the government and the communist rebels, the country's economic situation will not be able to recover. According to him, if the agreement collapses, the greater portion of the national budget will go to the military and very little will be left for national economic development. Guingona said that the ratification of the draft Constitution would also have a great impact on the ongoing cease-fire agreement. He predicted that 75 percent of the nation will vote yes to the Constitution in the 2 February plebiscite.



In the same interview, Guingona also clarified on published reports that the United States dictates to the Philippine Government concerning the solutions to the country's insurgency problems. He stated that the insurgency issue was a domestic problem that only Filipinos could resolve. This is Glo Custodio reporting. [end recording]

#### Rebel Spokesperson on Cease-Fire

HK121356 Manila Radio Veritas in Tagalog 1000 GMT 12 Jan 87

[Text] The rebels are discussing among themselves whether the cease-fire should be extended or not. According to NDF [National Democratic Front] spokesperson Carolina Malay-Ocampo, the meeting is composed of the groups affiliated with the NDF, the CPP-NPA included. Malay-Ocampo said that the military is just making use of the cease-fire to strengthen its forces against the rebels. Meanwhile, Malay-Ocampo also admitted that there is an advantage to a longer cease-fire period, because their struggle for power rests on this issue. She also added that surrendering would result in the collapse of their organization. Malay-Ocampo also confirmed that they were able to read the important documents on the weekly discussions of local and [word indistinct] military commanders. These important documents were sent to President Aquino by General Fidel Ramos, but (?the documents fell into the hands of the rebels). Malay-Ocampo, however, denied that they have spies in Malacanang.

#### Zumel On U.S. Pressures

HK121553 Manila MANILA BULLETIN in English 11 Jan 87 pp 1, 12

[By Romeo Chan]

[Text] Davao City -- National Democratic Front (NDF) peace negotiator Antonio Zumel has accused the United States of exerting pressure on the Aquino government to drive hard against the insurgents.

In talks with newsmen at the "Kapihan sa Davao," [Davao coffeehouse] Zumel said that President Aquino took the right step when she ordered the release of detention prisoners upon her takeover of the government.

But the democratic process which she started not only slowed down but stopped when the government through the prodding of the U.S. and the New Armed Forces of the Philippines (NAFP), resumed the campaign against the insurgents, he said.

Zumel claimed that the U.S. dominance in the Philippines has been preserved in the draft constitution. He said the cause-oriented groups under the NDF have come out against the new charter although the NDF itself has not made up its mind on the issue.

He also said the country's economic program has been charted in accordance with the World Bank's and the International Monetary Fund's demands.

If the ceasefire talks fail, Zumel said they will have no alternative but to go back to the hills to avoid arrest. He expressed the hope, however, that the peace talks will continue.

Zumel accused government negotiator Teofisto Guingona Jr. of "arrogance" in last Tuesday's meeting. He said instead of going over the 10-point demands which the NDF prepared, Guingona brushed aside the paper and "barked at me, Satur Ocampo, and Carolina Malay-Ocampo."

He said the NDF demands included the immediate repeal of repressive decrees promulgated during the regime of Marcos, the release of Rodolfo Salas and other political prisoners, the arrest of soldiers and policemen found guilty of abuses and killing civilians, and the dismantling of the Civilian Home Defense Force (CHDF).

#### ZUMEL COMMENTS ON CEASE-FIRE, DRAFT CHARTER

HK121601 Manila THE MANILA CHRONICLE in English 11 Jan 87 pp 1, 3

[By correspondent Fred Alonzo]

[Text] Davao City, Jan. 10 -- National Democratic Front [NDF] peace negotiator Antonio Ma. Zumel today warned of a "bloody confrontation" if a "shoot-to-kill" order against armed communist rebels is implemented.

In Cagayan de Oro City, chief rebel negotiator Satur Ocampo said that if the 60-day national truce fails, he doubted that it would be extended.

At the same time, he accused the military of delaying the peace talks by interfering in the preparation of the guidelines.

Zumel, who arrived here Friday, was reacting to the order of Brig. Gen. Cesar Tapia, Southern Command chief.

He said Tapia's order tended to sabotage the 60-day ceasefire agreement between the Government and the NDF. "I'm afraid there will be a bloody confrontation" if Tapia's order is carried out," he told the 'CHRONICLE.'

Zumel said field commanders of the New People's Army would resist any military attempt to disarm their men.

He also said the NDF was against the draft Constitution because it was not the product of elected commissioners.

He said the draft Charter's negative aspects outweighed the positive.

On the ceasefire, Zumel expressed hope that substantial progress could be made in the continuation of the peace negotiations on Tuesday, Jan. 13, so it could be extended.

Zumel was in Davao City as guest of the Davao Jaycees and the Tau Mu fraternity of the Ateneo de Davao college of law.

He was accompanied by NDF lawyer Arno Sadidad who disputed Government claims that President Aquino did not promise the release of captured communist leaders Rodolfo "Commander Bilog" Salas.

Ocampo was in Cagayan de Oro on invitation of the National Alliance for Justice, Freedom and Democracy to talk on the issues pertaining to the ceasefire agreement.

In an interview with the PNA [PHILIPPINES NEWS AGENCY], Ocampo said an extension of the ceasefire after Feb. 7 was only possible if substantial developments beneficial to both negotiating panels were achieved.

Meanwhile, rebel, military, religious and government leaders in eight provinces of Mindanao announced yesterday they had signed an agreement to continue negotiations in the region even if the peace talks collapse at the national level.

Announcement of the agreement was made at a conference in Cagayan de Oro.

The agreement was reached the night before during a Northern Mindanao peace summit meeting among 36 key rebel, military, religious and local officials in the region.

#### CEASE-FIRE PANELS URGED TO ACT ON TRUCE GUIDELINE

HK091204 Manila Radio Veritas in Tagalog 1000 GMT 9 Jan 87

[Text] Bishop Antonio Fortich, national chairman of the National Cease-fire Committee [NCC], again stressed that the government and the NDF panels should make a decision on the issue of cease-fire guidelines. He said that the draft guidelines were now in the hands of the two panels for their careful study, and eventual approval.

[Begin Fortich recording in English] [words indistinct] and that is the majority opinion of population centers, and so we sent our decision to the panels. Now it all depends on Mr Pascual to speak his opinion, so that the approval and the disapproval of the guidelines will depend on the meeting of the panels. [end recording]

Bishop Fortich added that the government and the NDF panels should reach a decision so that his committee would be able to work.

[Begin Fortich recording in English] It should be clear that the civilian counterpart of the NCC were [words indistinct], and now it depends on the panels, you see, to adjudicate. [end recording]

#### NDF REPUDIATES AGREEMENT ON TRUCE GUIDELINES

HK091255 Manila MANILA BULLETIN in English 9 Jan 87 p 1

[By Rod I. Villa Jr]

[Excerpt] President Aquino was urged by former Senator Jose W. Diokno yesterday to order the immediate release of Rodolfo Salas, alleged chairman of the Communist Party of the Philippines, it was learned yesterday.



In a letter received by Malacanang Tuesday, Diokno said the arrest and continued detention of Salas, who is listed in the government's "order of battle" as "Commander Bilog" of the New People's Army, "is an infringement of his constitutional rights."

The National Ceasefire Committee (NCC) was rocked by the National Democratic Front's [NDF] repudiation of what Bishop Antonio Fortich, NCC chairman, said had been "an agreement" on guidelines governing three issues in the truce agreement.

Antonio Zumel and Francisco Pascual of the NDF said "no such agreement was reached" in Wednesday's NCC meeting as they rejected the terms defining "population centers," the wearing of military uniforms, and patrol movements.

Consequently, the NCC voted unanimously to elevate the issues for resolution by the top peace panels when they meet Tuesday.

Fortich said he and two other civilian members -- Dean Irene Cortez and Almeda Lopez -- endorsed the guidelines which were proposed by Maj. Gen. Renato de Villa, PC-INP [Philippine Constabulary -- Integrated National Police] commander, in a position paper they transmitted to the government peace negotiators.

On the other hand, Pascual said he would submit the NDF's rejection of the guidelines.

Fortich appealed anew to NCC members to "lay aside ideological biases and technicalities in resolving intractable, issues by heeding the clamor of the people to make peace, not war." [passage omitted]

#### NDF SAYS FOREIGN AID WITHOUT STRINGS WELCOME

HK121513 Manila PHILIPPINE DAILY INQUIRER in English 12 Jan 87 pp 1, 6

[By Joe Logarta]

[Excerpt] Cebu City -- National Democratic Front [NDF] negotiators yesterday said the local communist movement is open to foreign support, even from the Soviet Union, should the United States escalate the level of violence in the Philippines.

Satur Ocampo and Antonio Zumel, however said the NDF will only accept such support without strings attached.

In a press conference here, the two NDF negotiators said the Soviet Union continues to recognize and support the "whole Partido Komunista ng Pilipinas," [Communist Party of the Philippines] the Moscow-leaning Marxist party.

An NDF official in Central Luzon last week said the Russians had offered aid to local communists. He claimed, however, that this was spurned.

Later, military and defense official claimed some local communists had tried to ask Red China into giving assistance to the local insurgency. [passage omitted]

GOVERNMENT FIRM ON NOT RELEASING REBEL SALAS

HK121501 Manila MANILA BULLETIN in English 12 Jan 87 pp 1, 7

[By Rod L. Villa Jr.]

[Text] President Aquino never made a commitment to the National Democratic Front to release Rodolfo Salas, alleged chairman of the Communist Party of the Philippines, Malacanang said yesterday.

Justice Minister Neptali Gonzales, meanwhile, said that the government will continue detaining Salas, also known as "Commander Bilog," for rebellion and other crimes.

Presidential counsel Teodoro L. Locsin Jr. said nothing in the President's "words or deeds" in her brief meeting with NDF leaders in Iloilo City Oct. 17 "could in any way be construed as promising Salas' release in some circumstance or other."

Antonio Zumel and Carolina Malay-Ocampo, NDF peace negotiators, said that it was "unfortunate and tragic" that the Aquino government has not taken heed of former Senator Jose W. Diokno's appeal to free Salas.

They said Locsin and Gonzales avoided the charge of Diokno, a member of the government negotiating panel, that Salas' continued imprisonment is "an infringement of his constitutional rights."

In a letter to the President, Diokno said Salas was arrested without a court warrant and detained without preliminary investigation.

Constabulary operatives arrested Salas while on his way to the Philippine General Hospital for treatment of goiter last Sept. 29. The government subsequently released his wife Josefina Cruz and Jose Concepcion, his security aide, who were nabbed with him.

Asked if the government's position would prompt the NDF to terminate the ongoing peace negotiations, Malay-Ocampo said, "this is a serious matter needing critical discussion."

Locsin explained the government's position on the Salas case in a six-page letter to Zumel and Satur Ocampo, also an NDF negotiator. He narrated what transpired in the conference between the President and Concha Araneta Bocala and Fr. Jose "Boy" Torre Jr., NDF Panay regional leaders. Bishop Piamonte also attended the meeting. Locsin said he took the minutes of the conference.

He said the conversation may have led the NDF to a "mistaken or misconstrued" notion that the Chief Executive had "made the undertaking to release Salas."

Locsin recalled that when they discussed the plans for the peace negotiations, Aquino insisted that safe conduct passes would be non-transferable. Members of the panel "must be known well before hand, otherwise, any insurgent who was apprehended could insist on release upon a claim of 'post facto' that he was intended to be a member of the panel."

Locsin said "it was not the law that released the pre-February revolution detainees by the presidential prerogative which she clearly restricted to those detained for fighting the Marcos dictatorship and excluded those apprehended after the revolution."

On the NDF's assertion that Salas was among those who responded positively to the President's first call for peace, Locsin said: "Our intelligence and the image of Salas painted by the media gave the opposite impression -- that he was one of the hardliners with whom you had to contend before sitting down to negotiations."

Meanwhile, Audit Chairman Teofisto Guingona Jr of the government negotiating panel, said that the government "is not and was never arrogant" in talking with the NDF panel. He was reacting to Zumel's charges.

He said the government panel "remains receptive and patient" in dealing with the rebel negotiators.

He called on the rebel panel instead to focus discussions on "food and freedom, jobs and justice" as advocated by Diokno as the agreed basis for a common agenda.

He said he was only speaking the truth "by stating that the NDF" tax exactions are illegal and it is the duty of government to respond to complaints about these activities. He added that the NDF has agreed that the government has the authority to exercise its lawful powers to stop these illegal exactions whenever complaints are made." [quotation marks as published]

Meanwhile, Malay-Ocampo charged as "another canard evidently planted by military rightist elements" a claim that China has offered to sell \$200 million worth of firearms to the NPA.

"The world knows that the revolutionary movement does not have this kind of wealth," she said. "We do not deny that what arms our forces bear have been obtained in the field."

#### NDF LEADER DENOUNCES NEW MILITARY TACTICS

HK121515 Manila PHILIPPINE DAILY INQUIRER in English 12 Jan 87 pp 1, 6

[By Glenda Gloria]

[Text] Civic action projects by the military form part of what is called the "low intensity conflict" (LIC) strategy of the Americans, a National Democratic Front [NDF] official said Saturday night.

NDF international representative Luis Jalandoni, a former priest, said the civic action projects are complemented by a wave of anti-communist hysteria and psychological warfare in the countryside.

This strategy is a shift from the original mailed-fist policy in which the U.S. is instigating extreme right forces to use against communist insurgents in the Philippines and in Latin American countries. Jalandoni told progressive Church workers during a forum at St. Joseph's College in Quezon City.

Jalandoni explained the U.S. connection by citing a \$25 million economic aid that the military is seeking from the U.S. for its "engineering programs" that will include livelihood and other social projects intended to boost the image of the armed forces.



Jalandoni also cited recent announcements by top U.S. officials on the "possible failure" of the peace talks. These U.S. officials view NDF demands as "major stumbling block" toward lasting peace in the country.

Another characteristic of this "low-intensity conflict" he said, is the tactic of implementing a "total war" in the countryside where insurgency is most felt. This war takes the form of social, economic and psychological activities at the grassroots; to incite anticommunist hysteria.

LIC is [the] Pentagon's latest military doctrine in combatting insurgency without necessarily committing U.S. troops, Jalandoni said.

This U.S. strategy is said to be succeeding in El Salvador where the U.S.-backed government is fighting communist guerillas, he added.

During the same forum, Jalandoni expressed dismay over how the NDF program is misunderstood by the government and the public.

"What the NDF is simply saying in its demands is this: There can be no lasting peace unless we achieve a comprehensive political settlement where both government and rebel demands will be accommodated," Jalandoni said.

He clarified that the proposal for a coalition government is a "long-term objective" that Filipinos have to aim for if "we want a government that has a widest representation" from all social and political forces.

Jalandoni also stressed that the integration of the 23,000-strong New People's Army into the armed forces is possible only after a comprehensive political settlement has been reached by both sides.

#### Military Build-Up Denied

HK100618 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 10 Jan 87

[Text] Government peace negotiator Teofisto Guingona denied the accusation of the National Democratic Front [NDF] that the military is conducting a massive arms build-up in preparation to fight the rebels. Here is (Glo) Custodio for the details.

[Begin recording] In an interview Guingona denied NDF charges that the military is terrorizing the members of the NPA in response to U.S. President Ronald Reagan's advice to President Aquino to use an iron hand in suppressing the rebels. In the interview, the National Cease-fire Committee [NCC] Chairman Bishop Antonio Fortich said that the military reported 44 NDF cease-fire violations. The NDF on the other hand reported 21 military violations. Fortich also explained that the reported violations from the two panels cannot all be considered cease-fire violations since some of them are common crimes. He added that both panels are still studying the violations because they still cannot pinpoint the real assailants.

Major General Renato de Villa said that there has been a decrease in killings and rebellion since the cease-fire agreement was effected. De Villa also said that in spite of the reported violations, the cease-fire has been successful in comparison to the time when there was no cease-fire agreement. No major encounters were reported, De Villa added.

On the NDF side, Carolina Malay-Ocampo, the NDF chief of staff, admitted that the rebels do not have enough forces to fight the government forces. She said, however, that if a fight should arise, the nation's support will be their most effective weapon. Francisco Pascual, NDF representative to the NCC, said that military reports saying most of the rebels are willing to surrender is not true. Reports saying the NPA forces are weakening are fabrications by the military so that the rebels will be forced to surrender their weapons. [end recording]

UNIDO OFFICIAL URGES MALACANANG STAFF RESHUFFLE

HK121241 Quezon City Radyo ng Bayan in Tagalog 0900 GMT 12 Jan 87

[Text] Unido [United Nationalist Democratic Organization] Secretary General Rene Espina urged President Corazon Aquino to reorganize the staff and officials of Malacanang. Espina said the reshuffle was necessary because a top secret document reached the hands of Antonio Zumel and Satur Ocampo of the National Democratic Front [NDF] in only 24 hours. The top secret document had been forwarded by Armed Forces Chief of Staff General Fidel Ramos to President Aquino. Espina added that it proved that the NDF had penetrated the executive bureaucracy of Malacanang.

Arroyo Challenges Beltran Charges

HK130143 Manila Far East Broadcasting Company in English 2300 GMT 12 Jan 87

[Text] Executive Secretary Joker Arroyo yesterday [12 January] said he will resign if it is proven that the leak of top-secret military documents to the communist National Democratic Front [NDF] emanated from his office, as alleged by a newspaper columnist. Arroyo's statement was in reaction to a January 11th column item by publisher Luis Beltran of the PHILIPPINE DAILY INQUIRER which said the NDF has a spy in Malacanang and that military intelligence has (?preempted) the leaks of secret documents to the office of the executive secretary. Arroyo said the president called him to discuss the column item. The meeting, Arroyo said, was also attended by Defense Minister Rafael Ileto and General Fidel Ramos, chief of staff of the Armed Forces of the Philippines. Arroyo challenged Beltran to resign from his position if he cannot prove his assertion.

Ileto on Alleged Leaks

HK121437 Manila Radio Veritas in Tagalog 1000 GMT 12 Jan 87

[Text] Defense Minister Rafael Ileto denied today that there are spies in Malacanang who leaked confidential issues to different sectors. Here are the details from Ed Pngilinan, spokesman of the Ministry of Defense.

[Begin recording in English] This is a very serious accusation. Unless there is a valid proof, we should not play around talking too much about it all, Minister Ileto said.

Ileto explained that what probably was talked about was the leakage of certain information that is not really top secret for media action, but one that is confidential and belongs to a lower level of classification. However, Minister Ileto said, even confidential matters should be handled very carefully because it would reflect on our system and particularly on our counter-insurgency program. If top secret communications can be mishandled that way, it will be unfair. Possibly what was leaked were confidential papers but were publicized and made to appear as top secret papers.

Later he also cautioned the media to be careful in their terminology because talking about the involvement of Malacanang, playing around with top secret information, will involve sometimes a certain [words indistinct]. In cautioning the members of the media to be very careful in using such words like (?force) Minister Ileto explained that some words have their own particular meaning in the intelligence community and for a layman to play around with those words would carry such very critical (?meanings).

#### ENRILE ON IRAN ARMS INVOLVEMENT, BATASANG POLLS

HK121135 Quezon City Radyo ng Bayan in Tagalog 0900 GMT 12 Jan 87

[Text] Former Defense Minister Juan Ponce Enrile called on President Aquino to revive the old Batasang Pambansa [national assembly] to elect a new speaker who will act as interim president and call new presidential elections. Here is Glo Custodio for more details.

[Begin recording] Enrile also said that this would become the president's most patriotic act, if she is truly sincere about winning the support of the people. Enrile added that he was not in favor of the cease-fire agreement because it would not help the cause of peace but was just a lull before the fighting resumes. He denied reports that former Armed Forces of the Philippines Chief of Staff General Fabian Ver was involved in the Iran arms deal that sold weapons to Iran [as heard]. He remembered that while still a defense chief, he approved a request to send guns to the United States but did not know that they would go to the Middle East.

At this forum [as heard], Enrile stated that there should be separate questions on the administration of President Aquino and they should be included in the coming plebiscite. He added that these questions should not just be drafted into the transitory provisions. According to Enrile, there was a strong "no" vote in Mindanao because the Muslims believe that they will be defenseless once the Philippine Constabulary is dismantled and they are left to the mercy of the New People's Army.

Enrile also said that if the "no" vote wins, it would mean that the entire nation rejects the Aquino government, hence the 1973 constitution should be revived. [passage indistinct]

Meanwhile, Kapihan [Coffeeshop] coordinator [name indistinct] said that Channel 4 will not broadcast the Kapihan sa Manila [Manila Coffeeshop] forum later tonight because its guest was Enrile, an opponent of the draft constitution. [end recording]



## Enrile TV Cancellation Viewed

HK121121 Hong Kong AFP in English 1102 GMT 12 Jan 87

[Text] Manila, Jan 12 (AFP) -- The Philippine Government Monday refused to broadcast a television show featuring opposition leader Juan Ponce Enrile because it would have been like giving him a gun "to shoot at us," the presidential spokesman said.

Teodoro Benigno, in a press statement, denied that the move not to broadcast Monday's meeting of a popular public forum on state-run television was a "limitation to freedom of the press."

He added that the government never allowed its media facilities to be used to "attack the government."

The government-run Channel Four Monday cancelled its regular coverage of the "Kapihan sa Manila" (Manila Coffeeshop Talk), a Monday breakfast forum in which guests invited by editors of major Manila newspapers discuss a wide range of topics.

Mr. Benigno said that to have broadcast the session on state-run television would have been akin to giving Mr. Enrile "an Armalite (rifle) to shoot at us."

But the show was broadcast on a private television station later Monday.

Mr. Enrile, who joined the opposition after he was sacked as defence minister in November and has since become a vocal critic of the government, told the forum that the current ceasefire between the government and communist guerrillas would fail and result in more army casualties.

A spokesman for Channel Four said the station had cancelled coverage of the forum on two previous occasions. The last was two weeks ago when the guests were all leading figures of the left and right-wing opposition.

## 'Freewheeling Criticism' Banned

HK130231 Manila Far East Broadcasting Company in English 2300 GMT 12 Jan 87

[Text] Press Secretary Teodoro Benigno said the state-owned Television Channel 4 will no longer be allowed to air freewheeling criticism of the government. Benigno upheld the decision that the state-run Channel 4 Television not air Monday's Kapihan sa Manila [Manila Coffeeshop], which only featured ousted Defense Minister Juan Ponce Enrile. The government television station was acting within its right to prevent an oppositionist from attacking the national leadership on its own grounds, he said at a press briefing at Malacanang.

PEASANTS, MARCOS LOYALISTS RALLY AGAINST CHARTER

HK120211 Manila Far East Broadcasting Company in English 2300 GMT 11 Jan 87

[Text] As thousands cheered President Aquino in the provinces, thousands of people also gathered in Manila to denounce a rule in her proposed constitution.

In front of Malacanang, (?5,000) peasants, urban workers, students and farmers belonging to the Katipunang Anak Pawis [Society of Laboring Classes] rallied for a no vote on the Constitution on Plebiscite Day on February 2. Led by their President Lito Gallardo, the rallyists vowed to continue to picket Malacanang daily against the ratification of the Constitution. Rally speakers demanded a no vote so that the government will be forced to call a constitutional convention in which all sectors of the people will be duly represented.

Earlier some 5,000 Marcos loyalists also marched in Manila denouncing the Aquino government. The march ended with the burning of copies of the proposed charter.

#### FORMATION OF 'NO' VOTE COALITION REPORTEDLY FAILS

HK121533 Quezon City BUSINESS DAY in English 12 Jan 87 p 27

[Text] The formation of a grand coalition by opposition parties which intended to forge a united stand against the Aquino government-sponsored draft constitution has been snagged by the failure to agree on "working relationship formula."

Sources said in a meeting held Saturday at the Quezon City residence of former Manila vice-mayor James Barbers, leaders of the Kilusang Bangong Lipunan, Nacionalista Party and other opposition groups failed to agree on the common strategies on how to campaign for a "no" vote.

During the meeting, the sources said a rift between Nacionalista Party led by former Defense Minister Juan Ponce Enrile faction and the KBL faction led by former Assemblyman Rafael Recto surfaced.

One of the causes of the rift was the postponement of a "Miting de avance" [advance meeting] of the coalition scheduled for yesterday at the Rizal Park.

They said the KBL Recto faction proposed the postponement because of the "tight schedule and the lack of proper infrastructure for huge rally."

The Nacionalista Enrile faction claimed that this was not so. And that Recto objected for entirely different reasons.

They said a "personality clash" prevented the staging of a common "no" vote rally.

"It seems everybody wants to be the big chief and no one wants to be the little Indian," a former member of parliament said.

Barely three weeks before the Feb. 2 plebiscite, the opposition's goal of a grand coalition remains a plan. Squabbling is expected to continue, they said.

Another factor that derailed the opposition is the report that many former KBL leaders are now working for the Aquino forces to get a "yes" vote during the plebiscite.

The expected exodus of political leaders from the Aquino camp did not materialize; instead some KBL leaders joined the Aquino group. They cited the case of former Metro Manila Vice-Governor Mel Mathay who joined the "yes" bandwagon.

This development, according to one of the KBL leaders, is a blow to the opposition's cause of unifying against the ratification of the draft charter.

Among the political parties working for a grand coalition are Nacionalista, KBL, Mindanao Alliance headed by Homobono Adaza, some disgruntled leaders of the Liberal Party (Kalaw Wing) and United Nationalist Democratic Organization.

The Partido Nacionalista ng Pilipinas led by Blas F. Ople has yet to make known its stand.

#### MILITARY ON 'RED ALERT' IN BASILAN PROVINCE

HK130613 Davao City DAILY SAN PEDRO EXPRESS in English 20 Dec 86 p 2

[Text] Zamboanga City -- The military has placed its troops in the island province of Basilan, particularly its capital town, Isabela, under red alert following Monday's ambush-slaying of Tuburan vice mayor Salim Astalim and four of his companions.

Lt. Col. Porcawa D. Dia, provincial PC-INP [Philippine Constabulary-Integrated National Police] commander, said there is now a provincewide manhunt for the three suspected gunmen.

Vice Mayor Astalim, along with seven companions, was on his way home from the vicinity of the Isabela Claret School when gunned down by the armed men near the marketplace.

Killed with Astalim, were identified as Iddem Arip, Abdulmalik Dislim, Didda Nampaso and Malik Parem.

Two of Salim men, namely Samaya Hananni and Darsanay Nampaso, were wounded and are now undergoing treatment at the Basilan community hospital.

Families of the slain vice mayor and his companions have reportedly threatened to attack Isabela town to avenge the death of their relatives and friends.

#### PROGRESSIVES, LIBERALS FORMING POLITICAL COALITION

HK091309 Quezon City ANG PAHAYAGANG MALAYA in English 9 Jan 87 pp 1, 6

[By Emer Mercado]

[Text] The formation of a progressive bloc composed of mass-based and liberal democratic political parties, including the Liberal Party [LP]-Salonga Wing, National Union of Christian Democrats and the left-leaning Partido ng Bayan, [PNB -- People's Party], looked likely yesterday as representatives of these parties prepared for the coming national polls.



Such a coalition would bring in an era of a new mass-based electoral system based on ideological principles and alliances. Good Government Chairman Jovito Salonga said his party sees a working arrangement with several political groups based on the principles of social justice and independence. He said he sees the possibility of an alliance of his party with different political groupings from the various ideological forces in the coming national and local elections.

"The LP will only work with other groups based on principles, not on personalities," Salonga, a leading senatorial candidate in the May polls, said.

He also said that the Liberal Party, which has been wracked by organizational factionalism from former Sen. Eva Estrada Kalaw and the LP Young Turks, will continue with its program of action based on social justice.

The Liberal Party was one of the political parties on which Marcos cracked down after the imposition of martial law. It has consistently asserted a policy of independence and nationalism.

Alan Jasminez, Partido ng Bayan secretary-general, said that the PnB has established a working arrangement with several political parties at the provincial level. He said the PnB chapters in the Visayas and Mindanao have "working relationships" with political leaders of the PDP-Laban, LP-Salonga wing, Mindanao Alliance and the Cordillera People's Party.

The former detainee also said the PnB, with a claimed mass membership of 500,000 would support senatorial candidates outside of the party.

He refused to identify these candidates, but MALAYA sources mentioned the names of Salonga, 1971 Constitutional Convention Vice President Abraham Sarmiento, former Labor Minister Augusto Sanchez, Presidential Adviser on National Affairs Aquilino Pimentel and Agapito "Butz" Aquino, among others.

The PnB was recently described by Gen. Fidel V. Ramos, Armed Forces chief, as a "communist front." The PnB is espousing a nationalist and democratic program of action based on mass-based politics.

Jasminez said they are "open" to an alliance with other progressive and liberal democratic organizations based on principles at the national, regional, provincial, town and barrio levels.

Meanwhile, the National Union of Christian Democrats led by former Senators Raul S. Manglapus and Manuel Manahan, was reported to be trying to forge "some sort of coalition" with the Liberal Party, Salonga said.

Salonga said that during a recent breakfast meeting with Manglapus, the latter expressed a desire to run under the LP banner in the coming elections. Manglapus and Salonga were both U.S. based opposition leaders during the Marcos Regime.

Salonga also said the LP is exploring a working arrangement with Butz Aquino of Bandila [Bayan nagkaisa sa diwa at layunin -- nation united in spirit and purpose] and PDSP [Philippine Socialist Democratic Party] and Jaime Ferrer of PDP-Laban [Philippine Democratic Party -- strength of the nation].

Salonga, Aquino, Manglapus and Ferrer are all actively involved in the ratification campaign for the new Charter under the Coalition for the Constitution's approval. The PnB, for its part, has adopted a "critical yes" stand on the Constitution.



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